



September 05, 2022

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

To  
National Stock Exchange of India Limited,  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai – 400 051.

BSE Scrip Code: 543298

NSE Scrip Code: VINEETLAB

**Subject: - 6<sup>th</sup> Annual Report of Vineet Laboratories Limited for the financial year 2021-22**

Dear Sir/ Madam,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 6<sup>th</sup> Annual Report of Vineet Laboratories Limited for the financial year 2021-22.

The 6<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Wednesday, September 28, 2022.

Kindly take the same on your records.

Thanking you.

Yours faithfully,

**For Vineet Laboratories Limited**

Nirosha Ravikanti  
Company Secretary & Compliance Officer

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**Admin. Office:** 5-5-160, Malleswari Nilayam, Opp. Vishnu Theatre, Chintalkunta, LB Nagar, Hyderabad-500 074.

**Regd. Office:** Sy.No. 11/A3, Eshwaramma Nilayam, Saheb Nagar Kurudu Vill, Chintalkunta, LB Nagar, Hyderabad-500 074.

**Factory:** Sy.No. 300, Malkapur(V), Choutuppal(M), Yadadri-Bhuvanagiri(D), Telangana State, India-508 252.

E-mail: vineetlaboratories@gmail.com, Website: www.vineetlabs.co.in, Phone: +91-40-24128833, Cell : 09642200049

**CIN No. : L24304TG2016PLC112888**

**GST No. : 36AAFV6694P1ZA**



**Vineet Laboratories Limited**

**6th Annual Report  
2021-22**



## Corporate Information

### CIN

L24304TG2016PLC112888

### BOARD OF DIRECTORS

Mr Gaddam Venkata Ramana (DIN: 00031873) -  
Managing Director

Mr Satyanarayana Raju Bhupathiraju  
(DIN: 02697880) - Whole-Time Director & CFO

Mr. Kandula Murali Mohan (DIN: 03313407)  
- Non-Executive Non - Independent Director

Mr. Dilip Vishnu Acharekar (DIN: 08849689)  
- Non-Executive - Independent Director

Mr. Bhaskara Reddy Karna (DIN: 08961904)  
- Non-Executive - Independent Director

Ms. Thotakura Uma Sangeetha (DIN: 08120320)  
- Non-Executive - Independent Director  
*Resigned w.e.f June 5, 2022*

Ms. Hari Priya Yerukalapudi (DIN: 09690829)  
- Additional Independent Director  
*Appointed w.e.f July 29, 2022*

### COMPANY SECRETARY

CS Chetna Tiwari  
Resigned w.e.f October 31, 2021

CS Nirosha Ravikanti  
Appointed w.e.f April 28, 2022

### REGISTERED OFFICE

Sy. No. 11/A3, Saheb Nagar, Kurdu Vill,  
Chintal Kunta, Eshwaramma Nilayam,  
LB Nagar, Hyderabad  
Phone: 040-24128833  
Email Id: cs@vineetlabs.co.in  
Website: vineetlabs.co.in

### MANUFACTURING & PRODUCTION FACILITY (WORK UNIT):

Sy.No.300, Malkapur Village, Choutuppal Mandal,  
Yadadri Bhuvangir Dist, - 508252 Telangana State

### STATUTORY AUDITORS

M M Reddy & Co  
Chartered Accountants  
Hyderabad

### SECRETARIAL AUDITORS

P. S. Rao & Associates  
Company Secretaries  
Hyderabad

### INTERNAL AUDITORS

MHA & Associates LLP  
Chartered Accountants  
Hyderabad

### BANKER

HDFC Bank Limited

### REGISTRAR AND SHARE TRANSFER AGENTS

Venture Capital and Corporate Investments Private  
Limited

12-10-167, Bharat Nagar, Hyderabad - 500 018.

Phone: +91 - 40 - 23818475,

Fax: +91 - 40 - 23868024

E-mail Id: investor.relations@vccipl.com

### LISTED WITH

BSE Limited, Mumbai (BSE)

National Stock Exchange of India Limited (NSE)

## **NOTICE**

Notice is hereby given that the 6th Annual General Meeting ("AGM") of Vineet Laboratories Limited will be held on Wednesday, September 28, 2022 at 11.00 AM at Minerva Coffee Shop, 3<sup>rd</sup> Floor, Beside Sanjeevini Hospital, Kiran Nagar, Doctors Colony, Kothapet, Hyderabad, Telangana-500035, to transact the following businesses:

### **ORDINARY BUSINESS:**

- 1. To consider and adopt the Audited Financial Statements for the financial year ended March 31, 2022**  
To receive, consider, and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as Ordinary Resolution:  
RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and the Auditors thereon, as circulated to the members, be and are hereby considered and adopted.
- 2. To declare a dividend on the equity shares for the financial year ended March 31, 2022**  
To declare a final dividend of Re. 1 Per equity share for the financial year ended March 31, 2022 and, in this regard, pass the following resolution as Ordinary Resolution:  
RESOLVED THAT a dividend at the rate of Re. 1/- Per (Rupee One Only) equity share of Rs.10/- (Rupees Ten Only) each fully paid-up of the company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended 31st March, 2022 and the same be paid out of the profits of the Company.
- 3. To appoint Mr. Satyanarayana Raju Bhupathiraju (DIN:02697880), who retires by rotation as a director**  
**In this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**  
RESOLVED THAT Mr. Satyanarayana Raju Bhupathiraju (DIN:02697880) be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.
- 4. To appoint Statutory Auditors of the Company and fix their remuneration**  
**In this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**  
RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, NSVR & Associates LLP, Chartered Accountants (Registration No. 0088015/S200060) be and are hereby appointed as the Statutory Auditors of the Company for the first term of 5 (five) consecutive years from the conclusion of this 6th Annual General Meeting till the conclusion of the 11th Annual General Meeting i.e., from the FY 2022-23 to FY 2026-27, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

### **SPECIAL BUSINESS:**

- 5. To set out the Borrowing Limits of the Company**  
To consider and if thought fit, to pass the following resolution as a Special Resolution:  
RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) to borrow money by obtaining Loans, Inter Corporate Deposits (ICDs), Overdraft Facilities, Lines of Credit, Commercial Papers, Debentures, External Commercial Borrowings (Loans/Bonds), INR denominated Offshore Bonds or any other instruments permitted to be issued by the Company under any law for the time being in force or in any other forms, in both domestic and foreign currency, of both capital and revenue in nature, from Banks, Financial Institutions, Investment Institutions, Insurance Companies, Mutual Funds, other Bodies

Corporate or any other person(s) (hereinafter referred to as the "Lending Agencies/ Lenders"), including by way of availing credit limits through Non-Fund based limits i.e. Bank Guarantee, Letter of Credit, etc. or by any other means for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company, but so that the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business) by the Company shall not exceed Rs.100 Crores (Rupees One Hundred Crores Only) in excess of the aggregate of its paid share capital, free reserves and securities premium of the Company as per the latest annual audited financial statements.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and are hereby authorized to arrange to fix the terms and conditions of all such borrowings from time to time as it may deem fit and to sign and execute all such deeds, contracts, instruments, agreements and any other documents as may be required and to do all such acts, deeds, matters, things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred by this resolution to any committee of Directors and/or Directors and/or Officers of the Company to give effect to this resolution.

**6. To create Charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) to mortgage, pledge, create charge and / or hypothecation and to provide securities as may be necessary on such of the movable and/or immovable properties wherever situated, both present and future, or to sell, lease, or otherwise dispose of the whole or substantially the whole of the undertaking or the undertakings of the Company, on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings of the Company in favour of any Bank(s), Financial Institutions, Investment Institutions, Insurance Companies, Mutual Funds, other Bodies Corporate or any other person(s) (hereinafter referred to as the "Lending Agencies/ Lenders") and Trustees for the holders of debentures / bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure the borrowings availed or to be availed by the Company, together with the interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements/Loan Agreements/ Debenture Trust Deeds entered/to be entered into by the Company and/or Board in respect of the said borrowings, within the overall limits of the borrowing powers of the Board as determined from time to time by members of the Company, pursuant to Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Securities to be created by the Company for its borrowing as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and the parties concerned.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board or any committee or person(s) authorised by the Board, be and is / are hereby authorised to finalise, settle, and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other considered to be in the best interest of the Company.

**7. To ratify the remuneration of Cost Auditors for the financial year 2022-23.**

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

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory

modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs.60,000/- (Rupees Sixty Thousand Only) excluding applicable taxes and out-of-pocket expenses, as approved by the Board of Directors of the Company, to be paid to M/s KJU & Associates, Cost Accountants (Registration No. 000474), the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2023, be and is hereby ratified.

**8. To approve existing as well as new material related party transactions with Vineet Life Sciences Private Limited, Wohler Laboratories Private Limited, Vineet Chem Trade Private Limited**

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

RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("SEBI Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter into and/or continue the Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entities falling within the definition of 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related parties and the Company, for each of the financial years (FY) from FY 2022-23 to FY 2024-25 i.e. three financial years, such that the maximum value of the Related Party Transactions with such parties, in aggregate, does not exceed value as specified under each category for each financial year, provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out in the ordinary course of business of the Company and in respect of transactions with related parties under Section 2(76) of the Act, are at arm's length basis.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.

**9. To fix the amount of fee to be paid by the member / shareholder of the Company for delivery of any document through a particular mode**

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

RESOLVED THAT pursuant to Section 20 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, and pursuant to the recommendations of the Stakeholders Relationship Committee and the Board, consent of the members of the Company be and is hereby accorded to collect a sum of Rs.15/- for every single side page from the respective member/ shareholder for service of document(s) (to the extent allowed under the Companies Act, 2013 and all other applicable laws and regulations) to him / her/it in a particular mode as requested.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and are deeds, as may be considered proper or necessary or expedient to give effect to the resolution and for matters connected herewith or incidental there to in the best interests of the Company.

**10. To appoint Ms. Hari Priya Yerukalapudi (DIN: 09690829) as an Independent Director of the Company:**

To consider and if thought it, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT Ms Hari Priya Yerukalapudi (DIN:09690829), who was appointed as an Additional Director of the Company with effect from July 29, 2022 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from her signifying her interest for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Ms. Hari Priya Yerukalapudi (DIN:09690829), who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, for a term of five years, i.e., from July 29, 2022 to July 28, 2027 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved.

**11. To approve revision in the remuneration of Mr. Gaddam Venkata Ramana (DIN: 00031873), Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including statutory amendments or re-enactments thereof for the time being in force), and such other rules, laws, regulations, guidelines or notifications as may be applicable and as per the Memorandum and Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of the Directors of the company, the consent of the Members of the Company be and is hereby accorded to for payment of remuneration to Mr. Gaddam Venkata Ramana (DIN: 00031873), Managing Director of the Company at Rs.4,25,000/- (Rupees Four Lakhs Twenty Five Thousand Only) per month for the period from April 1, 2022 to December 31, 2023 (end of his tenure), notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT, the remuneration, as mentioned above, shall also be paid to Mr. Gaddam Venkata Ramana (DIN: 00031873) for the period starting from April 1, 2022 to September 30, 2022 and the same shall be considered and paid as arrears of remuneration.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of the tenure of his service, the remuneration specified here-in above shall be paid as minimum remuneration as per the provisions of Section II of Part of II of Schedule V to the Act, including any statutory modification(s) thereof.

RESOLVED FURTHER THAT save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mr. Gaddam Venkata Ramana (DIN: 00031873), Managing Director passed at Extra - Ordinary General Meeting held on January 1, 2021 shall continue to remain in full force and effect.



RESOLVED FURTHER THAT the Board (which will include its committee thereof) be and is hereby authorized to vary and / or revise the remuneration of Mr. Gaddam Venkata Ramana (DIN: 00031873), Managing Director within limits permissible under the Act.

RESOLVED FURTHER THAT the Executive Directors and the Company Secretary of the Company, either jointly or severally be and are hereby authorized to file the said resolution with the Registrar of Companies, Hyderabad, and do all such acts, deeds, and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid Resolution.

**12. To approve revision in the remuneration of Mr. Satyanarayana Raju Bhupathiraju (DIN: 02697880), Whole-Time Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including statutory amendments or re-enactments thereof for the time being in force), and such other rules, laws, regulations, guidelines or notifications as may be applicable and as per the Memorandum and Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of the Directors of the company, the consent of the Members of the Company be and is hereby accorded to for payment of remuneration to Mr. Satyanarayana Raju Bhupathiraju (DIN:02697880), Whole Time Director of the Company at Rs.3,25,000/- (Rupees Three Lakhs Twenty Five Thousand Only) per month for the period from April 1, 2022 to December 31, 2023 (end of his tenure), notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT, the remuneration, as mentioned above, shall also be paid to Mr. Satyanarayana Raju Bhupathiraju (DIN:02697880), Whole Time Director for the period starting from April 1, 2022 to September 30, 2022 and the same shall be considered and paid as arrears of remuneration.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of the tenure of his service, the remuneration specified here-in above shall be paid as minimum remuneration as per the provisions of Section II of Part of II of Schedule V to the Act, including any statutory modification(s) thereof.

RESOLVED FURTHER THAT save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mr. Satyanarayana Raju Bhupathiraju (DIN:02697880) passed at Extra - Ordinary General Meeting held on January 1, 2021 shall continue to remain in full force and effect.

RESOLVED FURTHER THAT the Board (which will include its committee thereof) be and is hereby authorized to vary and / or revise the remuneration of Mr. Satyanarayana Raju Bhupathiraju (DIN:02697880) within limits permissible under the Act.

RESOLVED FURTHER THAT the Executive Directors and the Company Secretary of the Company, either jointly or severally be and are hereby authorized to file the said resolution with the Registrar of Companies, Hyderabad, and do all such acts, deeds, and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid Resolution.

**13. To change the designation of Mr. Kandula Murali Mohan (DIN: 03313407) from Non-Executive Director to Whole Time Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 152, 196, Schedule V and other applicable provisions of the Companies Act, 2013 (including statutory amendments or re-enactments thereof for the time being in force), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other rules, laws, regulations, guidelines or notifications as may be applicable and as per the Memorandum and Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of the Directors of the company, approval of the members be and

is hereby accorded to the change in designation of Mr. Kandula Murali Mohan (DIN: 03313407) from Non-Executive Director to Whole Time Director of the Company and be appointed as Whole Time Director for a period of 2 years effective from July 1, 2022 to June 30, 2024 on the terms and conditions of appointment as approved by the Board of Directors and whose office shall be liable to retire by rotation.

RESOLVED FURTHER THAT any director or the Company Secretary of the Company be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution.

**14. To fix the remuneration of Mr. Kandula Murali Mohan (DIN: 03313407), Whole Time Director**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including statutory amendments or re-enactments thereof for the time being in force), and such other rules, laws, regulations, guidelines or notifications as may be applicable and as per the Memorandum and Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of the Directors of the company, the consent of the Members of the Company be and is hereby accorded to for payment of remuneration to Mr. Kandula Murali Mohan (DIN: 03313407), Whole Time Director of the Company at Rs.3,00,000/- (Rupees Three Lakhs Only) per month for a period 2 years effective from July 1, 2022 to June 30, 2024, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

RESOLVED FURTHER THAT, the remuneration, as mentioned above, shall also be paid to Mr. Kandula Murali Mohan (DIN: 03313407), Whole Time Director for the period starting from July 1, 2022 to June 30, 2024 and the same shall be considered and paid as arrears of remuneration.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of the tenure of his service, the remuneration specified here-in above shall be paid as minimum remuneration as per the provisions of Section II of Part II of Schedule V to the Act, including any statutory modification(s) thereof.

RESOLVED FURTHER THAT the Board (which will include its committee thereof) be and is hereby authorized to vary and / or revise the remuneration of Mr. Kandula Murali Mohan (DIN: 03313407), within limits permissible under the Act.

RESOLVED FURTHER THAT the Executive Directors and the Company Secretary of the Company, either jointly or severally be and are hereby authorized to file the said resolution with the Registrar of Companies, Hyderabad, and do all such acts, deeds, and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid Resolution.

Date : August 30, 2022  
Place: Hyderabad

By order of the Board  
For Vineet Laboratories Limited

**Nirosha Ravikanti**  
Company Secretary  
M.No:A68115

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in regard to the business as set out in Item Nos. 4 to 14 of the Notice along with the relevant details of Directors seeking appointment/re-appointment at the AGM as required by Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed hereto. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.

Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
3. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting ('AGM') pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the AGM.
4. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members, Proxies and Authorized representatives are requested to bring the duly completed attendance slip enclosed herewith to attend the AGM.
6. 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 Friday, September 23, 2022 through email on [investorcomplaints@vineetlabs.co.in](mailto:investorcomplaints@vineetlabs.co.in). The same will be replied by the Company suitably.

**DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

7. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 read with Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/Depository Participants. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.vineetlabs.co.in](http://www.vineetlabs.co.in), websites of the Stock Exchanges, that is, BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and on the website of Company's Registrar and Transfer Agent, Venture Capital and Corporate Investments Private Limited ("VCC") at <https://www.vccipl.com/>.
8. For receiving all communication (including Annual Report) from the Company electronically:
  - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [investorcomplaints@vineetlabs.co.in](mailto:investorcomplaints@vineetlabs.co.in) or to VCC at [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com).
  - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
9. The Company has fixed **Tuesday, September 20, 2022 as the 'Record Date'** for determining entitlement of Members to dividend for the financial year ended March 31, 2022, if approved at the AGM.
10. According to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, and Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the RTA.

11. The members, who were allotted shares at the time of demerger from Ortin Laboratories Limited, and whose share certificates were returned back to the company are held in the dematerialized form for the benefit of such shareholders. The list of such members is available at <http://vineetlabs.co.in/images/pdf/other-information/Details-of-Shareholders.pdf>
12. Further, to receive the dividend on time, Members holding shares in physical form (as mentioned in Note 11 above), who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA - Venture Capital Corporate Investments Private Limited, latest by September 23, 2022:
  - a) Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pin code, and following details relating to the bank account in which the dividend is to be received:
    - i. Name of Bank and Bank Branch
    - ii. Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions
    - iii. 11-digit IFSC Code
    - iv. 9-digit MICR Code
  - b) Original copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
  - c) Self-attested copy of the PAN Card; and
  - d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

13. The following forms are available on the website of the company at <http://vineetlabs.co.in/other-information.html>
  - Form ISR-2 – For updation of signature
  - Form SH-13 - Request for Registering Nomination
  - Form SH-14 Request for Cancellation or Variation in Nomination
  - Form ISR-3 Declaration for opting out Nomination
  - Form ISR-4 Request for issue of duplicate share certificates and other service requests
14. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form, except in case of request received for transmission or transposition of securities. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialized form. Transfer of equity shares in electronic form are affected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Venture Capital Corporate Investments Private Limited ("Registrar" or "RTA" or "VCCIPL") at [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com) for assistance in this regard.
15. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to the 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 for 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority.
16. The Board of Directors has appointed Mr.Jineshwar Kumar Sankhala, Practicing Company Secretary (M.No. A21697; C P No. 18365), as the scrutinizer of the company to scrutinize the remote e-voting and voting at the AGM in a fair and transparent manner.

17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:**

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

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

(i) The voting period begins on **September 25, 2022 [9.00 A.M.] and ends on September 27, 2022 [5.00 P.M.]**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date September 20, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>

	<p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

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

**For Physical shareholders and other than individual shareholders holding shares in Demat.**

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

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

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [jinesh211@gmail.com](mailto:jinesh211@gmail.com) / [investorcomplaints@vineetlabs.co.in](mailto:investorcomplaints@vineetlabs.co.in) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no.1800 22 55 33.

18. 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.
19. A member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the Meeting. If 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”.
20. 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., Tuesday, September 20, 2022 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting at AGM. A person, who is not a member as on the cut-off date, should treat the Notice for information purpose only.
21. Non-Resident Indian members are requested to inform VCC / respective DPs, immediately of:
  - Change in their residential status on return to India for permanent settlement.
  - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
22. The Attendance Slip, Proxy Form and the Route Map showing directions to reach the venue of the AGM along with indication of prominent landmark are annexed hereto.



**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and additional information as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars issued thereunder**

The following Statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 15 in the Notice:

**Item No.4**

Members of the Company in the 2nd Annual General Meeting held on September 29, 2018 approved the appointment of M M Reddy & Co, Chartered Accountants (Firm Registration No.010371S) ("Retiring Auditors") as the Auditors of the Company to hold office for a term of 4 (four) consecutive years from the conclusion of the said Annual General Meeting till the conclusion of the 6th Annual General Meeting. M M Reddy & Co will complete their present term on conclusion of this Annual General Meeting.

The Board of Directors of the Company ("the Board"), at its meeting held on August 30, 2022 has, considering the experience and expertise and on the recommendation of the Audit Committee, proposed to the Members of the Company appointment of NSVR & Associates LLP, Chartered Accountants (Firm Registration No. 008801S / S200060), as Auditors of the Company in place of the Retiring Auditors, for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting from this Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company.

NSVR & Associates LLP, Chartered Accountants, Hyderabad, founded in 2000, has 50 professionals and staff. It has office in one of the major cities in Telangana. It has another engaged in statutory audits of some of the large companies in the various sectors.

NSVR & Associates LLP, Chartered Accountants have consented to their appointment as Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013. NSVR & Associates LLP, Chartered Accountants have also provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

The proposed remuneration to be paid to Auditors for the financial year 2022-23 is Rs. 4 Lakhs. The said remuneration excludes applicable taxes and out of pocket expenses.

The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee. There is no material change in the remuneration proposed to be paid to Auditors for the financial year 2022-23 and the remuneration paid to the Retiring Auditors for the financial year 2021-22.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives, beyond the shares held by them, is concerned or interested, financially or otherwise, in the said resolution.

**Item No. 5 and 6:**

The Board of Directors of a Company shall not, except with the consent of Company by Special Resolution borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of the paid-up share capital, free reserves, and securities premium as per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and its rules thereunder.

Hence, the Board of Directors in its meeting held on May 28, 2022 has, subject to the approval of the members, unanimously recommended a maximum borrowing limit of Rs.100 Crores (Rupees One Hundred Crores Only) in excess of the aggregate of its paid share capital, free reserves and securities premium of the Company as per the latest annual audited financial statements, together with the moneys already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business).

In order to facilitate securing the borrowing availed / to be availed by the Company, by way of loans, debentures or any other securities or otherwise, in foreign currency or in Indian rupees, it is unanimously proposed by the Board of Directors in its meeting held on May 28, 2022, to obtain the approval of the shareholders by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, to create charge/ mortgage/ hypothecation /pledge on the Company's assets including tangible and intangible, both present and future, or provide other

securities, in such form, manner and ranking as may be determined by the Board of Directors / any of its authorised Committee of the Company from time to time, in consultation with the lender(s), in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), from time to time up to the limits approved or as may be approved by the shareholders from time to time under Section 180(1)(c) of the Companies Act, 2013.

The Board recommends the Special Resolution set out at Item No. 5 and 6 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives, beyond the shares held by them, is concerned or interested, financially or otherwise, in the said resolution.

**Item No. 7:**

The Board of Directors has, on the recommendation of the Audit Committee, approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2023.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs.60,000/- payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors of the Company, has to be ratified by the Members of the Company. Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023 by passing an Ordinary Resolution as set out at Item No. 7 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives, beyond the shares held by them, is concerned or interested, financially or otherwise, in the said resolution.

**Item No. 8**

The Securities and Exchange Board of India (“SEBI”), vide its notification dated November 9, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 (“Amendments”) introducing amendments to the provisions pertaining to the Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). The aforesaid amendments inter-alia included replacing of current threshold i.e. 10% (ten percent) of the listed entity’s consolidated turnover, for determination of material Related Party Transactions requiring prior Shareholders’ approval with the threshold of lower of Rs.1,000 crore (Rupees One thousand crore) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Accordingly, the threshold for determination of material Related Party Transactions under Regulation 23(1) of the SEBI Listing Regulations has been reduced with effect from April 1, 2022.

Vineet Laboratories Limited (“the Company” or “Vineet”) is an ISO 9001:2015 certified company specialized in pharmaceutical intermediates & fine chemicals. Vineet is widely acknowledged for its abilities in product development & process technology and therefore is the preferred source for many multinational companies for their outsourcing requirements. During the course of rendering such services, the Company has had the following transactions with its related parties for the year ended March 31, 2022:

Transaction	Wohler Laboratories Private Limited	Vineet Life sciences Private Limited	Vineet Chem Trade Private Limited	Total Rs. In Lakhs
Sale of goods or services	^204.07	2374.72	5021.01	7395.73
Purchase of goods or services	-	4369.71	1314.26	5683.97
Job Work Charges	-	526.17	-	526.17

^ Carry forward from previous FY 2021

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval and considering the fact that the list of related parties will change dynamically with no action on the part of the Company and to facilitate seamless contracting and rendering/availing of product and services between the Company and “related parties”, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution. All the contracts/arrangements and the transactions with “related parties” are reviewed and approved by the Audit Committee.

**Transactions with Vineet Life sciences Private Limited:**

Sr. No	Description	Particulars
1.	Name of the related party	Vineet Life sciences Private Limited
2.	Nature of relationship [including nature of its interest (financial or otherwise)]	Related Party as per the Companies Act, 2013, Accounting Standards and Listing Regulations
3.	Name of the Director or Key Managerial Personnel, who is related, if any	Gaddam Venkata Ramana, Satyanarayana Raju Bhupathiraju Kandula Murali Mohan
4.	Type of the proposed transaction	Sale and Purchase of goods / services
5.	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with a single related party subject to a maximum of Rs.50 Crores per annum through contracts/arrangements which are entered for a duration up to 3 years
6.	Particulars of the proposed transaction	Sale and Purchase of goods / services
7.	Tenure of the transaction	Up to 3 years
8.	Value of the proposed transaction	maximum of Rs.50 Crores per annum
9.	Percentage of the company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	26.15%
10.	Benefits of the proposed transaction	During the course of such transaction, the Company also leverages niche skills, capabilities and resources of entities
11.	Details of the valuation report or external party report (if any) enclosed with the Notice	Company's governance policies with respect to negotiation with third parties are followed for all contracts/ arrangements with related party as defined under SEBI Listing Regulations. These contracts/arrangements are approved by the Audit Committee on quarterly basis
12.	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	
A.	Source of funds	Not Applicable
B.	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: <ul style="list-style-type: none"> <li>• Nature of indebtedness</li> <li>• cost of funds and</li> <li>• tenure of the indebtedness</li> </ul>	Not Applicable
C.	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	Not Applicable

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members.

Gaddam Venkata Ramana, Satyanarayana Raju Bhupathiraju, Kandula Murali Mohan, Directors of the Company who are also directors on the board of Vineet Life sciences Private Limited; and relatives of these directors, to the extent of their shareholding, if any, may be deemed to be concerned or interested, in the said transactions.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their respective relatives, is concerned or interested, financially or otherwise, in the resolution.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

**Transactions with Vineet Chem Trade Private Limited:**

Sr. No	Description	Particulars
1.	Name of the related party	Vineet Chem Trade Private Limited
2.	Nature of relationship [including nature of its interest (financial or otherwise)]	Related Party as per the Companies Act, 2013, Accounting Standards and Listing Regulations
3.	Name of the Director or Key Managerial Personnel, who is related, if any	Gaddam Venkata Ramana
4.	Type of the proposed transaction	Sale and Purchase of goods / services
5.	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with a single related party subject to a maximum of Rs.50 Crores per annum through contracts/arrangements which are entered for a duration up to 3 years
6.	Particulars of the proposed transaction	Sale and Purchase of goods / services
7.	Tenure of the transaction	Up to 3 years
8.	Value of the proposed transaction	maximum of Rs.50 Crores per annum
9.	Percentage of the company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	26.15%
10.	Benefits of the proposed transaction	During the course of such transaction, the Company also leverages niche skills, capabilities and resources of entities
11.	Details of the valuation report or external party report (if any) enclosed with the Notice	Company's governance policies with respect to negotiation with third parties are followed for all contracts/ arrangements with related party as defined under SEBI Listing Regulations. These contracts/arrangements are approved by the Audit Committee on quarterly basis
12.	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	
A.	Source of funds	NotApplicable
B.	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment <ul style="list-style-type: none"> <li>• Nature of indebtedness</li> <li>• cost of funds and</li> <li>• tenure of the indebtedness</li> </ul>	NotApplicable
C.	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	NotApplicable

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members.

Gaddam Venkata Ramana, Director of the Company who are also directors on the board of Vineet Chem Trade Private Limited; and relatives of the director, to the extent of their shareholding, if any, may be deemed to be concerned or interested, in the said transactions.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the resolution.

Pursuant to Regulation 23 of the Listing Regulations, Members may also note that no related party of the Company shall vote to approve the Ordinary Resolutions set out at Item No. 8 whether the entity is a related party to the particular transaction or not.

The Board commends the Ordinary Resolutions set out at Item No. 8 of the Notice for approval by the Members.

#### **Item No. 9**

The proviso to Section 20(2) of The Companies Act, 2013 stipulates that "a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the Company in its annual general meeting."

The Stakeholders Relationship Committee and the Board has recommended to fix a sum of Rs.15/- for every single side page for serving the document to the member in a particular mode as requested by the member / shareholder.

The Board commends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives, beyond the shares held by them, is concerned or interested, financially or otherwise, in the said resolution.

#### **Item No.10**

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board appointed Ms. Hari Priya Yerukalapudi (DIN: 09690829), as an Additional Director of the Company and also an Independent Director not liable to retire by rotation, for a term of five years, i.e., from July 29, 2022 to July 28, 2027 (both days inclusive), subject to approval by the Members.

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, Ms. Hari Priya shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from her signifying her interest for the office of Director. The profile and specific areas of expertise of Ms. Hari Priya are provided as Annexure to this Notice.

Ms. Hari Priya has given her declaration to the Board, inter alia, that (i) she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent to act as a Director.

In the opinion of the Board, Ms. Hari Priya is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and she is independent of the management. Given her experience, the Board considers it desirable and in the interest of the Company to have Ms. Hari Priya on the Board of the Company and accordingly the Board recommends the appointment of Ms. Hari Priya as an Independent Director as proposed in the Resolution set out at Item No. 10 of the accompanying Notice for approval by the Members.

The copy of the terms and conditions of appointment of the Independent Directors is available for inspection.

Except for Ms. Hari Priya and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

#### **Item No.11**

The members of your Company in their Extra Ordinary General Meeting held on January 1, 2021 has appointed Mr. Gaddam Venkata Ramana (DIN:00031873) as the Managing Director of the Company for a period of three years with effect from January 1, 2021 to December 31, 2023 at a remuneration of Rs.2,75,000 per month.

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company, may subject to certain conditions including passing of special resolution in the general meeting, may pay remuneration to its managerial personnel in excess of the limits mentioned therein. In addition, a company having inadequate/no profits may, subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel.

In line with the above provisions, the Company may pay managerial remuneration as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

**Proposed Remuneration:**

On the recommendation of Nomination and Remuneration Committee, the Board of Directors in its meeting held on August 30, 2022 has revised the remuneration of Mr. Gaddam Venkata Ramana (DIN: 00031873) to Rs.4,25,000/- (Rupees Four Lakhs Twenty-Five Thousand Only) per month from April 1, 2022 to December 31, 2023 (end of his tenure).

In the event of inadequacy of profits calculated as per Section 198 of the Companies Act, 2013 in any financial year, Mr. Gaddam Venkata Ramana, Managing Director shall be entitled to a minimum remuneration as mentioned above for the said period.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 11 is mentioned below:

**I. General Information:**

Nature of industry	Pharmaceutical Industry	
Date or expected date of commencement of commercial production	The Company was originally incorporated as Vineet Laboratories Private Limited in the year 2003. The same was merged with Ortin Laboratories Limited in the year 2011. The commercial production in Vineet Laboratories Private Limited commenced in February 2007.	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
Financial performance based on given indicators - As per the Audited Financial Results for the FY ended on 31-03-2022	Particulars	Rs. In Lakhs
	Revenue from Operations	19,117.23
	Other Income	28.51
	Total Income	19145.74
	Employees benefit expenses	490.94
	Depreciation & amortization expenses	201.57
	Other Expenses	2747.22
	Total Expenses	18211.19
Profit before tax	934.55	
Foreign investments or collaborations, if any	None	

**II. Information about the appointee**

Background details	Mr. Gaddam Venkata Ramana, aged about 53 years is having more than 11 years of experience in the pharma industry. He is a Masters in Science in Chemistry
Past remuneration	Rs.2,75,000/- per month from January 1, 2021
Recognition or awards	-
Job profile and his suitability	Following a distinguished 11 year long service, Mr. Gaddam Venkata Ramana took over as the Managing Director of the Company and was entrusted with substantial powers of the management and was responsible for the general conduct and management of the business and affairs of the Company, subject to the superintendence, control and supervision of the Board of Directors of the Company
Remuneration proposed	As mentioned in the Special Resolution set forth at Item No. 11 of this Notice, read with the Explanatory Statement thereto

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Gaddam Venkata Ramana is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.
Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any	He is not related to any of the Directors and Key Managerial Personnel of the Company.

### III. Other Information

Reasons of loss or inadequate profits	During the financial year ended March 31, 2022, the profits of the Company may not be adequate due to COVID impact and therefore the remuneration payable to the Managing Director would exceed the limits prescribed. Hence this proposal under applicable provisions of Schedule V
Steps taken or proposed to be taken for improvement	The Company has taken significant steps to reduce costs in line with the projected sales given the COVID impact.
Expected increase in productivity and profits in measurable terms	During 2022-23, Q1 profit showed considerable recovery in demand and business results as compared to Q1 2021-22

### IV. Disclosures

All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	Fully described above
Details of fixed components and performance linked incentives along with the performance criteria	Nil
Service contracts, notice periods, severance fee	The balance tenure of the Managing Director is till December 31, 2023.
Stock option details, if any, and whether the same had been issued at a discount as well as the period over which accrued and over which exercisable	Nil

Hence, the Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the Members.

None of the Directors except Mr. Gaddam Venkata Ramana, Key Managerial Personnel or their relatives, beyond the shares held by them, is concerned or interested, financially or otherwise, in the said resolution.

#### Item No.12

The members of your Company in their Extra Ordinary General Meeting held on January 1, 2021 has appointed Mr. Satyanarayana Raju Bhupathiraju (DIN: 02697880) as the Whole Time Director of the Company for a period of three years with effect from January 1, 2021 to December 31, 2023 at a remuneration of Rs.2,50,000 per month.

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company, may subject to certain conditions including passing of special resolution in the general meeting, may pay remuneration to its managerial personnel in excess of the limits mentioned therein. In addition, a company having inadequate/no profits may, subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel.

In line with the above provisions, the Company may pay managerial remuneration as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

#### Proposed Remuneration:

On the recommendation of Nomination and Remuneration Committee, the Board of Directors in its meeting held on August 30, 2022 has revised the remuneration of Mr. Satyanarayana Raju Bhupathiraju (DIN: 02697880), Whole Time Director to Rs.3,25,000/- (Rupees Three Lakhs Twenty-Five Thousand Only) per month from April 1, 2022 to December 31, 2023 (end of his tenure).

In the event of inadequacy of profits calculated as per Section 198 of the Companies Act, 2013 in any financial year, Mr. Satyanarayana Raju Bhupathiraju, Whole Time Director shall be entitled to a minimum remuneration as mentioned above for the said period.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 12 is mentioned below:

**V. General Information:**

Nature of industry	Pharmaceutical Industry	
Date or expected date of commencement of commercial production	The Company was originally incorporated as Vineet Laboratories Private Limited in the year 2003. The same was merged with Ortin Laboratories Limited in the year 2011. The commercial production in Vineet Laboratories Private Limited commenced in February 2007.	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
Financial performance based on given indicators - As per the Audited Financial Results for the FY ended on 31-03-2022	Particulars	Rs. In Lakhs
	Revenue from Operations	19,117.23
	Other Income	28.51
	Total Income	19145.74
	Employees benefit expenses	490.94
	Depreciation & amortization expenses	201.57
	Other Expenses	2747.22
	Total Expenses	18211.19
Profit before tax	934.55	
Foreign investments or collaborations, if any	None	

**VI. Information about the appointee**

Background details	Mr. Satyanarayana Raju Bhupathiraju (DIN: 02697880), Whole Time Director, aged about 72 years is having more than 11 years of experience in the pharma industry. He is a SSLC.
Past remuneration	Rs.2,25,000/- per month from January 1, 2021
Recognition or awards	-
Job profile and his suitability	Following a distinguished 11 year long service, Mr. Satyanarayana Raju Bhupathiraju was appointed as Whole Time Director of the Company
Remuneration proposed	As mentioned in the Special Resolution set forth at Item No. 12 of this Notice, read with the Explanatory Statement thereto
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Satyanarayana Raju Bhupathiraju is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.
Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any	He is not related to any of the Directors and Key Managerial Personnel of the Company.



**VII. Other Information**

Reasons of loss or inadequate profits	During the financial year ended March 31, 2022, the profits of the Company may not be adequate due to COVID impact and therefore the remuneration payable to the Managing Director would exceed the limits prescribed. Hence this proposal under applicable provisions of Schedule V.
Steps taken or proposed to be taken for improvement	The Company has taken significant steps to reduce costs in line with the projected sales given the COVID impact.
Expected increase in productivity and profits in measurable terms	During 2022-23, Q1 profit showed considerable recovery in demand and business results as compared to Q1 2021-22

**VIII. Disclosures**

All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	Fully described above
Details of fixed components and performance linked incentives along with the performance criteria	Nil
Service contracts, notice periods, severance fee	The balance tenure of the Whole Time Director is till December 31, 2023.
Stock option details, if any, and whether the same had been issued at a discount as well as the period over which accrued and over which exercisable	Nil

Hence, the Board commends the Special Resolution set out at Item No. 12 of the Notice for approval by the Members.

Except Mr. Satyanarayana Raju Bhupathiraju, none of the Directors, Key Managerial Personnel or their relatives, beyond the shares held by them, is concerned or interested, financially or otherwise, in the said resolution.

**Item No.13 & 14**

Mr. Kandula Murali Mohan (DIN: 03313407) has been the Non-Executive Director of the Company.

In the Board Meeting held on August 30, 2022, the directors have approved the change in designation of Mr. Kandula Murali Mohan from Non-Executive Director to Whole Time Director of the Company and appointed him as Whole Time Director for a period of 2 years effective from July 1, 2022 to June 30, 2024, subject to the approval of the shareholders in the ensuing AGM.

Further, your Company has received consent in writing from Mr. Kandula Murali Mohan to act as Whole Time Director as required under the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013.

Since Mr. Kandula Murali Mohan has eighteen years of experience in bulk drug industry with excellent knowledge of pharma industry in addition to good network with top companies in the industry, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail his services as Whole Time Director.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013, approval of the members of the Company is required for appointment of Mr. Kandula Murali Mohan as Whole time Director of the Company. His brief profile is given below for reference of the members.

In addition, pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company, may subject to certain conditions including passing of special resolution in the general meeting, may pay remuneration to its managerial personnel in excess of the limits mentioned therein. In addition, a company having inadequate/no profits may, subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel.

In line with the above provisions, the Company may pay managerial remuneration as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

**Proposed Remuneration:**

On the recommendation of Nomination and Remuneration Committee, the Board of Directors in its meeting held on August 30, 2022 has fixed the remuneration of Mr. Kandula Murali Mohan (DIN: 03313407), Whole Time Director as Rs.3,00,000/- (Rupees Three Lakhs Only) per month for a period 2 years effective from July 1, 2022 to June 30, 2024.

In the event of inadequacy of profits calculated as per Section 198 of the Companies Act, 2013 in any financial year, Mr. Kandula Murali Mohan, Whole Time Director shall be entitled to a minimum remuneration as mentioned above for the said period.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at Item No. 13 & 14 is mentioned below:

**IX. General Information:**

Nature of industry	Pharmaceutical Industry	
Date or expected date of commencement of commercial production	The Company was originally incorporated as Vineet Laboratories Private Limited in the year 2003. The same was merged with Ortin Laboratories Limited in the year 2011. The commercial production in Vineet Laboratories Private Limited commenced in February 2007.	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
Financial performance based on given indicators - As per the Audited Financial Results for the FY ended on 31-03-2022	Particulars	Rs. In Lakhs
	Revenue from Operations	19,117.23
	Other Income	28.51
	Total Income	19145.74
	Employees benefit expenses	490.94
	Depreciation & amortization expenses	201.57
	Other Expenses	2747.22
	Total Expenses	18211.19
Profit before tax	934.55	
Foreign investments or collaborations, if any	None	

**X. Information about the appointee**

Background details	Mr. Kandula Murali Mohan (DIN: 03313407), Whole Time Director, aged about 43 years is having more than 18 years of experience in the bulk drugs industry. He is a Post Graduate in Chemistry
Past remuneration	He was the Non-Executive Director
Recognition or awards	-
Job profile and his suitability	Following a distinguished 18 year long experience, Mr. Kandula Murali Mohan was appointed as Whole Time Director of the Company
Remuneration proposed	As mentioned in the Special Resolution set forth at Item No. 14 of this Notice, read with the Explanatory Statement thereto

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Kandula Murali Mohan is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its business.
Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any	He is not related to any of the Directors and Key Managerial Personnel of the Company.

**XI. Other Information**

Reasons of loss or inadequate profits	During the financial year ended March 31, 2022, the profits of the Company may not be adequate due to COVID impact and therefore the remuneration payable to the Managing Director would exceed the limits prescribed. Hence this proposal under applicable provisions of Schedule V
Steps taken or proposed to be taken for improvement	The Company has taken significant steps to reduce costs in line with the projected sales given the COVID impact.
Expected increase in productivity and profits in measurable terms	During 2022-23, Q1 profit showed considerable recovery in demand and business results as compared to Q1 2021-22

**XII. Disclosures**

All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	Fully described above
Details of fixed components and performance linked incentives along with the performance criteria	Nil
Service contracts, notice periods, severance fee	The tenure of the Whole Time Director is till June 30, 2024.
Stock option details, if any, and whether the same had been issued at a discount as well as the period over which accrued and over which exercisable	Nil

Hence, the Board commends the Special Resolution set out at Item No. 13 & 14 of the Notice for approval by the Members.

Except Mr. Kandula Murali Mohan, none of the Directors, Key Managerial Personnel or their relatives, beyond the shares held by them, is concerned or interested, financially or otherwise, in the said resolution

**Details Of Directors Seeking Appointment /  
Re-appointment In The Forthcoming Annual General Meeting**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

<b>Name of the director</b>	<b>Satyanarayana Raju Bhupathiraju</b>	<b>Hari Priya Yerukalapudi</b>	<b>Kandula Murali Mohan</b>
Director Identification Number	02697880	09690829	03313407
Date of Birth (Age)	25-05-1950 (72 years)	18-06-1990 (32 years)	15-06-1979 (43 years)
Date of first appointment on the Board Educational Qualification	01-01-2021 Graduate	29-07-2022 B. Com Associate Company Secretary Chartered Accountant (Inter)	10-11-2016 Post Graduate in Chemistry
Experience (including expertise in specific functional areas)/ Brief Resume	He retired as a Gazette Officer from the State Govt. He has good experience in Administration and Finance.	She has more than 6 years of experience in handling secretarial works and ensuring corporate Governance.	Total 18 years of experience in the Bulk Drug Industry. Out of these 7 years as an entrepreneur. Expertise: He is having good knowledge & experience in listed products in the suggested project in existing and previous companies. Very familiar with the industry and having good relations with top management of the pharma giants. Good team builder, has hands of experience in so many projects worth of above Rs.20 Crores. knowledge and experience in cost cutting, effective productivity and administration
Directorships held in other companies (excluding foreign companies)	Vineet Life Sciences Private Limited Ortin Laboratories Limited	Nil	Vineet Life Sciences Private Limited Satyadeva Organosys Private Limited
Membership / Chairmanships of committees across companies (excluding foreign companies)	Nil	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil	Nil	Nil

No. of shares held in the Company either by self or as a beneficial owner	5,12,987	Nil	1,15,746
Terms and Conditions of appointment / re-appointment	As per the Ordinary Resolution set forth at Item No. 3 of this Notice	As per the Special Resolution set forth at Item No. 10 of this Notice, read with the Explanatory Statement thereto	As per the Special Resolution set forth at Item No. 13 & 14 of this Notice, read with the Explanatory Statement thereto
Name of listed entities from which the person has resigned in the past three years (excluding foreign Companies)	Nil	Nil	Nil

For other details such as number of meetings of the Board attended during the year; remuneration last drawn & sought to be paid; and the skills and capabilities required for the role of Independent Director and the manner in which the person proposed to be appointed / re-appointed meets such requirements, etc. please refer to the Corporate Governance Report which is a part of the Annual Report.

**DIRECTORS' REPORT****Dear Members,**

Your directors have great pleasure in presenting the report on the Business and Operations of your Company ('the Company' or 'Vineet Laboratories Limited'), along with the audited financial statements, for the financial year ended 31st March, 2022.

**FINANCIAL HIGHLIGHTS**

The financial highlights of the Company are as follows:

Rs. In Lakhs

<b>Particulars</b>	<b>2021-22</b>	<b>2020-2021</b>
Revenue from Operations	19,117.23	24,347.89
Other Income (Including Exceptional Items)	28.51	38.60
Total Expenses	18,211.19	23,980.65
Profit Before Tax	934.55	405.83
Less: Provision for Taxation	270.69	227.80
Profit / (Loss) After Tax	663.86	178.03
Other Comprehensive Income	-3.54	22.61
Total Comprehensive Income	660.32	200.64
Earning per Equity Share		
Basic	7.16	2.18
Diluted (in Rs.)	7.16	2.18

**DIVIDEND**

The Board of Directors of your Company in its meeting held on May 28, 2022 recommended a dividend @ 10% on the paid-up equity share capital i.e., Re. 1/- per equity share of Re. 10/- each, for the financial year 2021-22. Dividend is subject to approval of members at the ensuing Annual General Meeting (AGM) and shall be subject to deduction of income tax at source.

**TRANSFER TO RESERVES**

Your Company did not transfer any amount to reserves for the financial year 2021-22.

**STATE OF THE COMPANY'S AFFAIRS**

During the year under review, your Company achieved total income of Rs 19,145.74 lacs as against Rs. 24386.49 lacs during the previous year. The Net profit after tax stood at Rs. 663.86 lacs as against Rs. 178.03 lacs for the previous year.

**CHANGE IN THE NATURE OF THE BUSINESS**

There has been no change in the nature of business of the Company during the year under review.

**SHARE CAPITAL**

The Paid-up Equity Share Capital of the Company stood at Rs. 9,21,90,080/- comprising of 92,19,008 equity shares of Re. 10/- each as on March 31, 2022.

The Company has paid Listing Fees for the Financial Year 2022-23, to each of the Stock Exchanges, where its equity shares are listed.

**DEMERGER AND LISTING**

Ortin Laboratories Limited had two divisions – Formulations Division and API Intermediates Division. With an objective of achieving operational efficiencies and streamlining its structure, Ortin Laboratories Limited demerged the API Intermediates Division to the Resulting Company, Vineet Laboratories Limited. The demerger was approved by the Hon'ble National Company Law Tribunal, Hyderabad vide its Order dated December 24, 2020.

The Equity Shares of your Company, Vineet, got listed and admitted to dealings on both the national stock exchanges i.e., BSE Limited and National Stock Exchange of India Limited effective June 15, 2021.

## **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 at <http://vineetlabs.co.in/images/pdf/MGT-7-for-the-year-2022.pdf>

## **NUMBER OF MEETINGS OF THE BOARD –**

The Board met Seven (7) times during the year 2021-2022 viz on 03rd June 2021, 30th June 2021, 12th August, 2021, 10th November, 2021, 29th December 2021, 12th February 2022 and 21st March 2022.

The details of the composition of the Board and its Committees and the number of meetings held and attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of the Annual Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements under Section 134, sub-section 3© and sub-section 5 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state and confirm that:

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

## **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149**

As required under Section 149 of the Companies Act, 2013, the Independent Directors have submitted the declaration affirming that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as independent directors of the Company.

The Board is of the opinion that all the Independent Directors appointed during the year under review are persons of integrity and possess relevant expertise and experience to act as Independent Director of the Company. The Independent Directors of the Company have confirmed that they have registered themselves with the Indian Institute of Corporate Affairs, Manesar and have included their name in the databank of Independent Directors within the statutory timeline and they have also appeared and qualified for the online proficiency test, wherever applicable.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The policy of the Company relating to the remuneration of the Directors, Key Managerial Personnel and other employees, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is governed by the Nomination and Remuneration Policy.

The Company's policy relating to the appointment of directors and remuneration including other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report forming part of this Report and is also available on <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/nomination-remuneration-policy.pdf>

## **INSURANCE**

The assets/ properties of the Company are adequately insured against loss due to fire, riots, earthquake, terrorism, etc., and against other perils that are considered necessary by the management.

## **LOANS, GUARANTEES OR INVESTMENTS**

Particulars of loans given, guarantees provided and investments made by the Company during the year 2021-2022, as required under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, are disclosed in the notes to Financial Statements which may be read as a part of this Report.

## **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All Related Party Transactions (RPT) that were entered into during the financial year were at arm's length basis and predominantly in the ordinary course of business.

All Related Party Transactions were placed before the Audit Committee and the Board for approval. The Board of Directors has framed a policy on Related Party Transactions to ensure a process for approval and reporting of transactions between the Company and its related parties. The policy is posted under the Investors section of the Company's website at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/related-party-transactions-policy.pdf>

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC-2 is appended as **Annexure I** which forms part of this Report.

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

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with respect to Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo are provided in **Annexure II** to this Report.

## **DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

We have a risk management framework for the identification and management of risks. The Company has formulated Risk Management Policy, which guides the Board in (a) approving the Company's Risk Management Framework and (b) Overseeing all the risks that the organization faces such as strategic, financial, liquidity, security, regulatory, legal, reputational and other risks that have been identified and assessed to ensure that there is a sound Risk Management Policy in place to address such concerns / risks. The Risk Management process covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlight risks associated with chosen strategies.

The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the Listing Regulations. The Risk Management Policy is also posted under the Investors' section of the Company's website at: <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/risk-management-policy.pdf>

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The provisions of Section 135 of the Companies Act, 2013 relating to the Corporate Social Responsibility (CSR) are not applicable to the company for the year under review. Hence, no details are required to be disclosed.

However, the provisions of Section 135 of the Act have become first applicable to the company for the financial year 2022-23. Accordingly, the Board has constituted Corporate Social Responsibility Committee (CSR Committee) in its meeting held on May 28, 2022.

The CSR Committee constituted by the Board has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company. The CSR Committee monitors the CSR Policy and recommends the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.



**The category and composition of the committee is as follows: -**

Sl.No	Name	Designation	Category
1.	Bhaskara Reddy Karna	Chairman	Independent Non-Executive
2.	Gaddam Venkata Ramana	Member	Non-Independent Executive
3.	Satyanarayana Raju Bhupathiraju	Member	Non-Independent Executive

The Corporate Social Responsibility Policy is posted under the Investors section of the Company's website at: <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/CSR-policy.pdf>

**BOARD EVALUATION**

The Board of Directors evaluated the annual performance of the Board as a whole, its Committees and the directors individually, in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with specific focus on the performance and effective functioning of the Board and individual directors.

A separate meeting of Independent Directors was held on 12th February 2022 to review the performance of the Non-Independent Directors and the Board as a whole, review the performance of Chairperson of the Company and assess the quality, quantity and timeliness 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.

**CRITERIA FOR PERFORMANCE EVALUATION**

- a. Ability of the candidate to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making.
- b. Adherence to the Code of Conduct in letter and in spirit by the Independent Directors.
- c. Bringing objectivity and independence of view to the Board's discussions in relation to the Company's strategy, performance, and risk management.
- d. Statutory compliance and ensuring high standards of financial probity and Corporate Governance.
- e. Responsibility towards requirements under the Companies Act, 2013, responsibilities of the Board and accountability under the Director's Responsibility Statement.

**FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Independent Directors attend a Familiarization /Orientation Program on being inducted into the Board. Further, various other programmes are conducted for the benefit of Independent Directors to provide periodical updates on regulatory front, industry developments and any other significant matters of importance. The Company issues a formal letter of appointment to the Independent Directors, outlining their role, function, duties and responsibilities, the format of which is available on the Company's Website.

The details of training and familiarization program are available on the website at

[http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/familiarisation-programme\\_independent-directors.pdf](http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/familiarisation-programme_independent-directors.pdf)

**DIRECTORS**

The Board of Directors consists of six (6) directors, three (3) of whom are Independent Directors, one Non-Executive Director and the remaining two (2) are Executive Directors.

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr. Satyanarayana Raju Bhupathiraju, who is the Whole-Time Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

**CHANGES IN THE DIRECTORS OR KEY MANAGERIAL PERSONNEL (KMP):**

The following appointments / changes in designation may be taken note of:

- Mr. Gaddam Venkata Ramana (DIN:00031873) was appointed as the Managing Director of the Company for a period of 3 years effective from 01-01-2021 to 31-12-2023 in the Extra-Ordinary General Meeting (EGM) held on January 1, 2021.
- Mr. Bhupathiraju Satyanarayana Raju (DIN: 02697880) was appointed as Whole-Time Director of the Company for a period of 3 years effective from 01-01-2021 to 31-12-2023 in the Extra-Ordinary General Meeting (EGM) held on January 1, 2021.

In addition, Mr. Bhupathiraju Satyanarayana Raju was appointed as Chief Financial Officer (CFO) of the Company w.e.f January 1, 2021.

- Ms. Thotakura Uma Sangeetha (DIN: 08120320), Mr. Dilip Vishnu Acharekar (DIN: 08849689) and Mr. Bhaskara Reddy Karna (DIN: 08961904) were appointed as Independent Directors for the first tenure of 5 years effective from 16-11-2020 to 15-11-2025.

However, Ms. Thotakura Uma Sangeetha has resigned from the office of Director effective June 5, 2022.

- Ms. Hari Priya Yerukalapudi (DIN: 09690829) was appointed as an Additional Independent Director (Non-Executive Category) with effect from July 29, 2022 who shall hold the office as such up to date of the ensuing Annual General Meeting.

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 30th August, 2022, has subject to the approval of the members at the forthcoming 6th Annual General Meeting of the Company scheduled on 28th September 2022, approved the appointment of Ms. Hari Priya Yerukalapudi (DIN: 09690829) as the Non-Executive Independent Director of the Company, for the first term of consecutive five years, w.e.f 29th July, 2022 to 28th July, 2027 (both days inclusive).

- Company Secretary and Compliance Officer:

Ms. Chetna Tiwari (A59205), Company Secretary and Compliance Officer of the Company, who was appointed on January 11, 2021 has resigned from her office effective October 31, 2021.

Later, Ms. Nirosha Ravikanti (A68115), an Associate member of The Institute of Company Secretaries of India (ICSI) was appointed as Company Secretary and Compliance Officer of the Company w.e.f April 28, 2022.

In compliance with Regulation 36(3) of the Listing Regulations, brief resume of all the directors proposed to be appointed / re-appointed are attached along with the Notice of the ensuing Annual General Meeting.

Apart from the above, there have been no other changes in Directors and KMP.

**KEY MANAGERIAL PERSONNEL (KMP)**

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company as on 31st March 2022:

Mr. Gaddam Venkata Ramana	- Managing Director
Mr. Bhupathiraju Satyanarayana Raju	- Whole-Time Director and Chief Financial Officer
Ms. Nirosha Ravikanti	- Company Secretary and Compliance Officer

**SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

No company has become or ceased to be Subsidiary, Joint Venture or Associate company of Vineet Laboratories Limited during the financial year under review.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant or material orders were passed by the Regulators or Courts or Tribunals that impact the going concern status and Company's operations in future.

## **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and your Company is constantly endeavouring to improve the standards of internal control in various areas and taking steps to strengthen the internal control system to make it commensurate and effective with the nature of its business.

Further, the statutory auditors of your Company have also issued an attestation report on internal control over financial reporting (as defined in section 143 of Companies Act, 2013) for the financial year ended 31st March 2022, which forms part to the Statutory Auditor's Report.

### **VIGIL MECHANISM**

The Board of Directors, on the recommendation of the Audit Committee, established a vigil mechanism for directors and employees called "Whistle Blower Policy", pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy and to provide adequate safeguards against victimization of persons who use such mechanism and to provide direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Whistle Blower Policy is posted under the Investors section of the Company's website at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/whistle%20blower-policy.pdf>

### **ANTI-SEXUAL HARASSMENT POLICY**

The Company has adopted a policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has taken several initiatives across the organization to build awareness amongst employees about the Policy and the provisions of the Prevention of Sexual Harassment of Women at Workplace Act. The Company has constituted Internal Complaints Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended 31st March 2022, there was no cases received pertaining to Sexual Harassment. Further there were no cases / complaints pending disposal as at the end of the financial year. The Company has also complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while in possession of Unpublished Price Sensitive Information and while dealing in the shares of the Company, as well as the consequences of violations. The Policy has been formulated to regulate, monitor and ensure reporting of trading by insiders by employees and to maintain the highest ethical standards while dealing in the company's securities.

The Insider Trading Policy of the Company, covering the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for prevention of insider trading is available on our website at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/code-of-conduct-for-prohibition.pdf>

### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

A Report on Management Discussion & Analysis forms part of the Annual Report as per the requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

### **INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the applicable provisions of the Companies Act, 2013, read with Investor Education and Protection

Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), all unpaid or unclaimed dividend are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

## **AUDITORS**

### **Statutory Auditors**

Members of the Company in the 2nd Annual General Meeting held on September 29, 2018 approved the appointment of M M Reddy & Co, Chartered Accountants (Firm Registration No.010371S) ("Retiring Auditors") as the Auditors of the Company to hold office for a term of 4 (four) consecutive years from the conclusion of the said Annual General Meeting till the conclusion of the 6th Annual General Meeting. M M Reddy & Co will complete their present term on conclusion of this Annual General Meeting.

On the recommendation of the Audit Committee, the Board of Directors of the Company ("the Board") at its meeting held on August 30, 2022 has proposed to the Members of the Company appointment of NSVR & Associates LLP, Chartered Accountants (Firm Registration No. 008801S / S200060), as Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting from this Annual General Meeting.

NSVR & Associates LLP, Chartered Accountants shall be the Statutory Auditors of the Company from FY 2022-23 to FY 2026-27, if appointed by the members in the ensuing AGM.

The Auditor's Report on the financial statements of the Company does not contain any qualifications, reservations, or adverse remarks or disclaimer and the Notes on the financial statements referred to therein are self-explanatory, thereby not requiring any further comments on the same.

### **Secretarial Auditors**

P S Rao & Associates, Practicing Company Secretaries were appointed to conduct the secretarial audit for the financial year 2021-2022. Pursuant to Section 204 of the Companies Act, 2013 and Rules made thereunder, the Secretarial Audit Report for the financial year ended 31st March 2022, in Form MR-3, is annexed to this Annual Report as **Annexure III**. The Board has appointed M/s P S Rao & Associates, Practicing Company Secretaries, as the Secretarial Auditor of the Company for the financial year 2022-2023.

The Secretarial Audit Report does not contain any qualifications, reservations, or adverse remarks or disclaimer, thereby not requiring any further comments on the same.

### **Cost Auditors**

KJU & Associates, Cost Accountant (Registration No.000474) has carried out the Cost Audit for the applicable business for the year under review.

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013, the Board of Directors had appointed KJU & Associates, Cost Accountant (Registration No.000474) as Cost Auditor of the Company for the financial year 2022-23. Proposal for ratification of remuneration of the Cost Auditor is placed before the shareholders.

The company is maintaining cost records as specified under sub-section (1) of Section 148 of the Companies Act, 2013.

### **Internal Auditors**

MHA & Associates LLP, Chartered Accountants are the Internal Auditors of the Company for the financial year 2021-22. The Internal Auditors carried out audit as per the audit plan defined by the Audit Committee and regularly updated the committee on their internal audit findings at the Committee's meetings.

The Internal Auditors were satisfied with the management response on the observation and recommendations made by them during the course of their audit.

The Directors in their meeting held on May 28, 2022 have appointed V D P & Co, Chartered Accountants as the Internal Auditors of the Company for the financial year 2022-23.

## **AUDIT COMMITTEE**

The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013 is given in the Corporate Governance Report furnished as part of the Annual Report. There have been no instances during the year where recommendations of the Audit Committee were not accepted by the Board.

## **NOMINATION AND REMUNERATION COMMITTEE**

The details of the composition of the Nomination and Remuneration Committee are given in the Corporate Governance Report furnished as a part of the Annual Report.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The detail of the composition of the Stakeholders Relationship Committee is given in the Corporate Governance Report furnished as part of the Annual Report.

## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The remuneration paid to your directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in respect of directors/employees of the Company is appended as **Annexure –IV** to this Report.

## **CORPORATE GOVERNANCE**

Your Company is committed to maintain high standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India.

The Report on Corporate Governance as stipulated under the Listing Regulations, forms part of the Annual Report.

The detailed report on Corporate Governance as per the format prescribed by Securities and Exchange Board of India under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with a certificate from P S Rao & Associates, Practicing Company Secretaries, confirming compliance with the requirements of Corporate Governance is attached with this report as **Annexure V**. There are no observations or adverse remarks in the said certificate.

As required by Listing Regulations, a certificate from P S Rao & Associates, Practicing Company Secretaries confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies is attached to this report as **Annexure VI**.

## **SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## **DEPOSITS**

The Company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments affecting the financial position of your Company that have occurred between the end of the financial year (March 31, 2022) of the company to which the financial statements relate and the date of the report (August 30, 2022).

## **REPORTING OF FRAUDS BY AUDITOR**

During the year under review, neither the Statutory Auditors nor the Internal Auditors has reported to the Audit committee under Section 143(12) of the Companies Act 2013, any instances of fraud committed against the company by its officers or employees, the details of which need to be mentioned in the Board's report.

**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**

No applications were made and no proceedings were pending under the Insolvency and Bankruptcy Code, 2016 during the year under the review.

**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**

No one time settlement took place during the year under review.

**ACKNOWLEDGMENTS**

Your Directors thank the Company's employees, customers, vendors, and investors for their continuous support. The Directors also thank the Government of India, Governments of various states in India, and concerned Government departments and agencies for their co-operation.

The Directors regret the loss of life due to the continuing COVID-19 pandemic and are deeply grateful and have immense respect for every person who is risking their life and safety to fight this pandemic.

For and on behalf of the Board

Place: Hyderabad  
Date :August 30, 2022

**Gaddam Venkata Ramana**  
Managing Director  
DIN: 00031873

**Satyanarayana Raju Bhupathiraju**  
Whole-time Director  
DIN: 02697880

## MANAGEMENT DISCUSSION AND ANALYSIS

### **a) Industry structure and developments.**

Indian pharmaceutical industry is known for its generic medicines and low-cost vaccines globally. Transformed over the years as a vibrant sector, presently Indian Pharma ranks third in pharmaceutical production by volume. In the last nine years, Indian Pharma sector has grown steadily by CAGR of 9.43%. Pharma sector has been consistently earning trade surplus. During 2020-21, total pharma export was ₹180555 crore (USD 24.35 Bn) against the total pharma import of ₹49436 crore (USD 6.66 Bn), thereby generating trade surplus of USD 17.68 Bn. Till end September 2021, total pharma export has been ₹ 87864 crore (USD 11.88 Bn) as against total import of ₹ 33636 crore (USD 4.66 Bn), thereby generating a trade surplus of ₹ 54228 crore (USD 7.22 Bn). Major segments of Indian Pharmaceutical Industry include generic drugs, OTC medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilars and biologics.

Indian pharmaceutical industry also plays significant role globally. India has the highest number of United States Food and Drug Administration (USFDA) compliant Pharma plants outside of USA. There are 500 API manufacturers contributing about 8% in the global API Industry. India is the largest supplier of generic medicines with 20% share in the global supply by manufacturing 60000 different generic brands across 60 therapeutic categories. Access to affordable HIV treatment from India is one of the greatest success stories in medicine. India is one of the biggest suppliers of low cost vaccines in the world. Because of the low price and high quality, Indian medicines are preferred worldwide, thereby rightly making the country the "pharmacy of the world"

The Indian pharma industry has also played an important role in meeting the challenges for mitigation of the infection in COVID pandemic. The industry worked in close collaboration with the government and academic institutes etc., to quickly develop and refine manufacturing processes which helped to ensure a consistent supply of medicines needed for the management of COVID-19 (e.g. Remdesivir, Ivermectin, Hydroxychloroquine, Dexamethasone, Tocilizumab, Favipiravir etc.). Indian drug supplies throughout the COVID-19 pandemic period have provided relief to over 120 countries for Hydroxychloroquine (HCQ), 20 countries for paracetamol and about 96 countries for vaccines across the world.

### **Major Credentials of Pharma Industry :**

- India provides generic medicines to more than 200 countries
- 8 out of 20 Global Generic companies are from India
- Over 55% Exports to Highly Regulated Markets
- 90% of WHO Pre-Qualified APIs are sourced from India
- 65-70% of WHO's vaccine requirements are sourced from India
- No. of USFDA approved sites: 741 (as of August 2021)
- No. of ANDA Market Authorizations secured by Indian companies: 4,346 (as on December 2020)

### **Foreign Direct Investment (FDI):**

Pharmaceutical is one of the top ten attractive sectors for foreign investment in India. 100% foreign investment is allowed under automatic route in Medical Devices. Foreign investments in pharmaceuticals in greenfield projects are allowed up to 100% under the automatic route and for brownfield pharmaceutical projects, foreign investment beyond 74% to up to 100%, Government approval is required.

After abolition of Foreign Investment Promotion Board (FIPB) in May 2017, the Department of Pharmaceutical has been assigned the role to consider the foreign investment proposals under the Government approval route. Apart from this, the Department considers all FDI proposals of pharmaceutical sector and medical devices sector arising out of Press Note 3 dated 17.04.2020 wherein investors/ultimate beneficiaries of the proposals are from the countries sharing land border with India.

The Department of Pharmaceuticals has approved 10 FDI proposals worth ₹ 7,860 crore inflows under the brownfield pharmaceutical projects during the financial year 2021-22 (till December 2021). The FDI inflows in pharmaceutical sector (pharmaceuticals and medical devices activities) in the last three years under both the routes, government and automatic

**b) Opportunities and Threats.**

**Opportunities:**

**Market Size:** According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market stood at US\$ 42 billion in 2021 and is likely to reach US\$ 65 billion by 2024 and further expand to reach US\$ 120-130 billion by 2030. India's biotechnology industry comprises biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics. The Indian biotechnology industry was valued at US\$ 70.2 billion in 2020 and is expected to reach US\$ 150 billion by 2025. India's medical devices market stood at US\$ 10.36 billion in FY20. The market is expected to increase at a CAGR of 37% from 2020 to 2025 to reach US\$ 50 billion. As of August 2021, CARE Ratings expect India's pharmaceutical business to develop at an annual rate of ~11% over the next two years to reach more than US\$ 60 billion in value.

In the global pharmaceuticals sector, India is a significant and rising player. India is the world's largest supplier of generic medications, accounting for 20% of the worldwide supply by volume and supplying about 60% of the global vaccination demand. The Indian pharmaceutical sector is worth US\$ 42 billion worldwide. In August 2021, the Indian pharmaceutical market increased at 17.7% annually, up from 13.7% in July 2020. According to India Ratings & Research, the Indian pharmaceutical market revenue is expected to be over 12% Y-o-Y in FY22.

**Exports:** India is the 12th largest exporter of medical goods in the world. Indian drugs are exported to more than 200 countries in the world, with US being the key market. Generic drugs account for 20% of the global export in terms of volume, making the country the largest provider of generic medicines globally. Indian drug & pharmaceutical exports stood at US\$ 24.60 billion in FY22 and US\$ 24.44 billion in FY21.

**Road Ahead:** Medicine spending in India is projected to grow 9-12% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers, which are on the rise. The Indian Government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

**Threats:**

**Counterfeiting:** is viewed as a serious public health menace promoted by criminals with little regard for the health and safety of patients which requires a combined public-private sector response. The counterfeit medicine market is more lucrative than the narcotics business with the World Health Organization estimating that counterfeiting costs the global pharma industry \$75 billion USD a year. The Criminal Intelligence Service Canada says that "Most estimates range in the billions annually for global losses."

With that in mind, it's unsurprising that the majority of pharmaceutical companies believe that the illegal use of their brand name on these counterfeit products threatens the integrity of the company that they are trying to represent.

In addition to lost revenue, counterfeiting imposes other costs including increased costs to secure the supply chain, investments in anti-counterfeiting technologies, potential reputational damage and risk of liability.

**Supply Chain Disruptions:** While global pharmaceutical supply chains did not collapse under the pressure of COVID-19, the pandemic revealed serious weaknesses in pharmaceutical logistics. The lean supply chains the industry cultivated over the past decades are not resilient to sudden shocks or issues with production caused by events like a pandemic. As a result, long manufacturing lead times and unpredictable demand are likely to cause problems through the end of the year. The supply chain may also be vulnerable to intentional disruption by cybercriminals. Moreover, poor visibility and transparency in the supply chain may make a number of these challenges worse.

**Insider Threats:** Pharma companies also need to be aware of threats from their employees. This often occurs because of disgruntled employees trying to disrupt day-to-day operations or sell customer data to a third party or competitor. Threats can also be caused by well-intentioned users not following corporate policies or through human error.



**c) Segment-wise or product-wise performance.**

**Pharmaceutical Intermediates Market - Segment-wise performance:**

The Pharmaceutical Intermediates Market is Segmented by Type (Chemical Intermediate, Bulk Drug Intermediate, and Others), Application (Analgesics, Anti-Infective Drugs, Cardiovascular Drugs, Oral Antidiabetic Drugs, Antimicrobial Drugs, and Others), End-User (Biotech and Pharma Companies, Research Institutions, and Others), and Geography (North America, Europe, Asia-Pacific, Middle-East and Africa, and South America).

The pharmaceutical intermediates market studied is anticipated to grow with a CAGR of nearly 5.3%, during the forecast period (2022 - 2027).

According to a study that was published in the American Chemical Society Pharmacology and Translational Science, 2020, new potential therapeutics for COVID-19 were discovered using a combined virtual and experimental screening strategy. Furthermore, they choose among the medications that were already in use and were examined to check for structural similarity against a library of almost 4,000 medications that were already in use, with hydroxychloroquine (HCQ) serving as a reference medication. The study suggested remdesivir and favipiravir therapies as prospective adjuvants in COVID-19 treatment and zuclopenthixol, nebivolol, and amodiaquine as potential candidates for clinical trials against the early phase of the SARS-CoV-2 infection. Thus, the pharmaceutical intermediates market is likely to increase both during and after a covid pandemic. As a result, market growth is anticipated in the coming years.

Given that these pharma intermediates are used in the treatment for cancer detection and a variety of chronic diseases, the rise in the prevalence of chronic diseases is projected to propel market expansion in the area under study. For instance, chronic diseases account for around 41 million annual fatalities, or 71% of all fatalities worldwide, according to the World Health Organization's key facts on non-communicable diseases published in April 2021. The high fatality rate from these diseases increases the demand for early intervention, which in turn propels the market's expansion.

There has been an upsurge in the usage of advanced technologies, such as high throughput, bioinformatics, and combinatorial chemistry for better drug candidate identification. The discovery and development of novel drugs to treat, prevent, or cure a number of diseases, including cancer, diabetes, cardiovascular disorders, and chronic kidney disease, has been hampered by the significant rise in disease incidence rates around the world. The United States' health care spending climbed 9.7% to reach USD 4.1 trillion in 2020, a substantially greater rate than the 4.3% increase recorded in 2019, according to the PETERSON-KFF Health System Tracker data published in February 2022.

Additionally, increased investments in R&D are a significant driver of market expansion. Hence, owing to the rising R&D activities in the pharmaceutical industry, the usage of pharmaceutical intermediates is expected to observe a steady growth as well.

**Product - Wise Performance**

Our Company Vineet Laboratories has been involved in developing and manufacturing of API Intermediates through innovative technology. We are an expert in designing, developing, and manufacturing API Intermediates which are key ingredients for manufacturing drugs for saving human race. Our products are cost-effective, and they cater to customers across the nation and overseas.

Name of the Product	No. of batches.	Quantity dispatched kgs	Sales Rs. In Lakhs	Remarks
(2S,3S,5S)-2-Amino-3-hydroxy-5-(tert-butyloxy carbonyl) amino-1,6-diphenyl hemi succinic acid salt. (BDH)	188	25684	4366.29	Intermediate of Ritonavir API, for treating HIV patients, It works by decreasing the amount of HIV in the blood.
Carbonic acid, 4-Nitro phenyl-5-thiazolyl methyl ester (NCT)	203	34099	2659.76	
N-((N-Methyl-N-((2-iso propyl-4-thiazolyl) methyl) carbonyl)-L-valine (MTA)	34	11796	1344.76	
(3R,3aS,6aR)-Hexahydro furo [2,3-b]furan-3-ol (BIS)	75	9256	1342.15	Intermediate of Darunavir API, for treating HIV patients, It works by decreasing the amount of HIV in the blood.
N-((4S,6S)-6-Methyl-7,7-dioxo-5,6-dihydro-4H-thieno[2,3-b]thiopyran-4-yl)acetamide (DZE)	11	417	250.2	Intermediate of Dorzolamide API, which is used to treat glaucoma, a condition in which increased pressure in the eye can lead to gradual loss of vision
Trans-4-Methylcyclohexyl isocyanate (ICY)	18	2741	287.805	Intermediate of Glimepiride, which is used to treat high blood sugar levels caused by type 2 diabetes
Phenethyl Isocyanate (PCY)	41	1100	26.4	Reagent used for making Intermediates & APIs
1-Methyl-1-phenyl-1-(2-pyridyl) methanol. Hydrochloride (MPH)	11	1882	90.336	Intermediate of Doxylamine, which is an antihistamine medication which is used in the treatment of insomnia and allergies
1-Hydroxy-4-methyl-6-(2,4,4-trimethylpentyl)-2(1H)-pyridone ethanol ammonium salt	258	129250	4265.25	Piroctone Olamine is a cosmetic product used as anti-dandruff
(5-methyl-2-oxo-1,3-dioxolen-4-yl) methyl-4-1 (1-hydroxy-1-methylethyl)-2-propyl-1-[4-[2-trityltetrazol-5-yl] phenyl] phenyl methylimidazole-5-carboxylate (OTL)	23	2286	548.808	Intermediate of Olmesartan, which is used alone or together with other medicines to treat high blood pressure (hypertension).

Our Company achieved a turnover of Rs. 19117.23 Lakhs in FY 2021-2022 as against Rs.24347.89 Lakhs in FY 2020-2021. Our Profit after tax in FY 2021-2022 stood at Rs660.31 Lakhs as against Rs.200.63 Lakhs in FY 2020-2021. Sales of API intermediates carry a potential of generating up to 100% of the product sale value. Revenues will continue to grow as the demand for products are increasing.

As per Annual Quality Review, we have identified that all products being manufactured are improved in quality and obtaining improved yields.

#### d) Outlook

The rapidly increasing prevalence of chronic diseases and growth of the aging population across the world are among factors that are expected to increase the need for drug formulations for the prevention of chronic diseases. For instance, as per the International Diabetes Federation Diabetes, the global diabetes prevalence in 2019 is estimated to be 9.3% (463 million people), rising to 10.2% (578 million) by 2030, and the number is rising rapidly. Pharmaceutical drugs have remained key to management of chronic diseases and other diseases.

For instance, according to the World Health Organization (WHO), the prevalence of chronic diseases is expected to increase by 57.0% by 2020, which indicates that a significant percentage of population is suffering from chronic diseases. According to FMI's analysis, pharmaceutical intermediates sales have grown at 3.7% CAGR between 2015 and 2019.

Various small- and medium-scale companies are also focusing on enhancing their production capacity, which is another factor that is expected to fuel growth of the pharmaceutical intermediates demand. Hence demand for pharmaceutical intermediate is increasing and sales are set to grow significantly through 2030.

Moreover, major pharma companies are increasingly relying on contract manufacturing organizations for the manufacturing of pharmaceutical intermediates and final formulations. These companies are focusing on enhancing the capacities of their manufacturing plants in various countries of the world, such as India and China, where the cost of production is comparatively lower. These developments present a positive outlook for growth. FMI expects global pharmaceutical intermediates market to grow at 4.3% CAGR through 2030.

**e) Risks and concerns.**

- **Highly Regulated Industry:** The pharmaceutical industry is a tightly regulated industry where all production must comply with good manufacturing practices (GMP) and quality requirements should be strictly satisfied. Historically, manufacturing in the pharmaceutical industry has been carried out in batch mode which potentially results in expensive, inefficient and poorly controlled processes. Recently, both pharmaceutical industries and regulatory authorities have recognized that continuous manufacturing has significant potential to improve product quality. Moreover, environmental, health and safety issues are driving the industry towards more efficient and more predictive manufacturing.
- **Liquid damage and contamination:** Manufacturing medicines and drugs requires a complex process with different equipment and ancillary systems. Each equipment and system poses a contamination risk. A few of the common sources are pathogens and physical contamination. Other contaminants include smoke and liquid damage. Power outages and issues beyond an organization's control can cause contamination of process or batches of drugs, which can affect the business. Liquid damage from water lines used for fire protection, or for cooling is often over looked contaminants. These have caused large damage to many companies in the industry. Similarly, smoke damage due to a controlled fire in one area can spread to other areas, if the plant is poorly designed. An effective equipment maintenance program together with proper building materials can minimize this risk.
- **Equipment breakdown:** Pharmaceutical companies use reactors, dryers, and sterilizers in their plants, a breakdown in one of them can stop production. The lack of an effective maintenance system can lead to:
  - Excessive machine breakdowns.
  - Shortened life-span of the facility.
  - Sub-standard products.
  - Delay in delivery dates.
  - Disproportionate investment in spare parts and maintenance materials.
- **Pharmaceutical fraud**  
Pharmaceutical fraud remains a major challenge for the industry — and it was possibly even worse during COVID-19. Globally and in the U.S. in particular, pharmaceutical fraud account for a large number out of all crimes in health care, which result into severe costs to the society.
- **Qualified workforce**  
In order to define qualified workforce, we can say that it concerns people who carry out technical or intellectual work that requires thorough knowledge in a particular field of its discipline. It should be noted that work productivity within an industry depends on the qualification of the employed workforce. Relying on qualified workforce is all the more one of the essential elements that ensures a promising future in the pharmaceutical industry. In fact, the pharmaceutical industry needs workforce that has significant knowledge, experience and skills. The pharmaceutical sector has to increase its investment in highly-qualified workforce to continue progress.

**f) Internal control systems and their adequacy.**

The internal audit and other internal checks implemented in the Company are adequate and commensurate with the size and nature of operations providing sufficient assurance and safe guarding all assets, authorizing all transactions and its recording and timely reporting. The Audit Committee of the Board of Directors regularly reviews the internal audit reports and the adequacy and effectiveness of internal controls.

**g) Discussion on financial performance with respect to operational performance.**

The Revenue from Operations for the current year is at Rs. 1,91,17,23,073 compared to Rs.2,43,47,89,206 in the previous year. The Profit before tax was Rs.9,34,55,033 against the previous Profit of Rs.4,05,83,397. The Profit after Tax was Rs.6,63,85,744 vis-a-vis Rs.1,78,02,894 in the previous year.

**h) Material developments in Human Resources / Industrial Relations front, including number of people employed.**

Industrial relations are harmonious. People form the foundation of organisations and their growth. The company recognized the importance and contribution of the human resources for its growth and development. As on 31st March, 2022 the Company has total strength of 66 employees.

**i) Key financial ratios :**

Sl.No	Financial Ratios	FY 2022	FY 2021
i	Debtors Turnover	4.75	5.53
ii	Inventory Turnover	1.15	3.07
iii	Interest Coverage Ratio	5.31	2.52
iv	Current Ratio	1.08	1.16
v	Operating Profit Margin (%)	5.87	2.60
vi	Net Profit Margin (%)	3.45	0.82
vii	Return on Net Worth (%)	19.98	7.59

**Cautionary Statement:**

The Statement in this section describes the Company's objectives, projections, estimates, expectations and predictions which may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws and other incidental factors.

**FORM NO. AOC.2**

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

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

## 1) Details of contracts or arrangements or transactions not at arm's length basis

All the contracts or arrangements or transactions entered into by the Company with related parties during the financial year 2021-22 were at arm's length basis.

## 2) Details of material contracts or arrangement or transactions 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 advance, if any Rs.
Wohler Laboratories Private Limited Entities owned by common Promoters	Sale and Purchase of goods and services	Ongoing	The Company has entered into specific arrangements with Wohler for intermediate raw material supplies. Transactions are in line with such arrangements.	Appropriate approvals have been taken for RPT	Nil
Vineet Life Sciences Private Limited Entities owned by common Promoters	Sale and Purchase of goods and services	Ongoing	The Company has entered into specific arrangements with Vineet Life Sciences for intermediate raw material supplies. Transactions are in line with such arrangements.	Appropriate approvals have been taken for RPT	Nil
Vineet Chem Trade Private Limited Entities owned by common Promoters	Sale and Purchase of goods and services	Ongoing	The Company has entered into specific arrangements with Vineet Chem Trade for intermediate raw material supplies. Transactions are in line with such arrangements.	Appropriate approvals have been taken for RPT	Nil

The above contracts was entered into in the ordinary course of business.

For and on behalf of the Board

Place: Hyderabad  
Date :August 30, 2022

**Gaddam Venkata Ramana**  
Managing Director  
DIN: 00031873

**Satyanarayana Raju Bhupathiraju**  
Whole-time Director  
DIN: 02697880

**CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT,  
TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO:**

The particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

**A. Conservation of Energy :**

- i. the steps taken or impact on conservation of energy;
  - All regular CFL & MV lamps were replaced with LED bulbs. All reactors and centrifuges were equipped with VFD (variable frequency drive). Cutoff system installed for vacuum pumps. Temperature controllers installed to chilling plants and cooling towers.
- ii. the steps taken by the company for utilizing alternate sources of energy;
  - 625KV & 500 KV diesel generators are in place for alternative source of energy
- iii. the capital investment on energy conservation equipments;
  - About Rs.45 Lakhs was invested on energy conservation equipment

**B. Technology Absorption :**

- i. the efforts made towards technology absorption;
  - Recruited efficient candidates in R&D Department
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution;
  - Improved quality and yield of products. Customer satisfaction. Procurement of raw materials increased due to cost reduction.
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - No imported technology.
  - (a) the details of technology imported; - NA
  - (b) the 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; and -NA
- iv. the expenditure incurred on Research and Development - Nil

**C. Foreign Exchange Earnings and Outgo during the year:**

- i. Foreign Exchange Earned : Rs. 54,937/-
- ii. Foreign Exchange Outgo : Rs. 12,36,56,143/-

For and on behalf of the Board

Place: Hyderabad  
Date :August 30, 2022

**Gaddam Venkata Ramana**  
Managing Director  
DIN: 00031873

**Satyanarayana Raju Bhupathiraju**  
Whole-time Director  
DIN: 02697880

Form MR-3

Secretarial Audit Report

for the financial year ended March 31, 2022

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

To  
The Members,  
Vineet Laboratories Limited,  
Hyderabad.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vineet Laboratories Limited** (hereinafter called "the company") bearing Corporate Identification Number **L24304TG2016PLC112888** for the financial year ended on **31st March 2022**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable as the Company did not issue shares either under ESOPS / ESPS during the financial year under review;
- (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable as the Company did not issue any debt securities during the financial year under review;
- (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not Applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review;
- (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable as the Company did not delist equity shares from any stock exchange during the financial year under review;
- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable as the Company did not buyback equity shares during the financial year under review;
- (ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with NSE and BSE

We further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under our audit as the same falls under the review of statutory auditor and by other designated professionals.

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

*The names of Mr.Dilip Vishnu Acharekar (DIN:08849689) and Mrs. Thotakura Uma Sangeetha (DIN:08120320), Independent Directors were to be included in the data bank of the Institute of Corporate Affairs at Manesar before their appointment (November 16, 2020). But, Mr.Dilip Vishnu Acharekar has applied to the Institute only on June 6, 2022 and Mrs.Thotakura Uma Sangeetha has resigned from the Board effective June 5, 2022.*

**We further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As a general practice of the Board, decisions were taken on unanimous consent.
- Based on our verifications and the declarations received from the respective directors, the directors were not disqualified to act as such as per the provisions of Companies Act, Rules, Orders/ Circulars/ Regulations issued by SEBI or such other acts for the time being enforceable.
- No prosecutions were initiated and no fines or penalties were imposed during the year under the Companies Act, SEBI Act, SCRA Act or other SEBI Regulations on the Company or its Directors and officers of the Company.

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

We further report that during the audit period, the following major events were identified:

The Equity Shares of the Company got listed and admitted to dealings on both the national stock exchanges i.e., BSE Limited and National Stock Exchange of India Limited effective June 15, 2021.

**For P S Rao & Associates**  
Company Secretaries

Date : July 21, 2022  
Place: Hyderabad

**P S Rao**  
M.No:F10322;C P No: 3829  
UDIN: F010322D000665185  
P.R.No:P2001TL078000

*This report is to be read with our testimony of even date, which is annexed as 'Annexure A' and forms an integral part of this report.*



To  
The Members,  
Vineet Laboratories Limited,  
Hyderabad.

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

- 1) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, we have followed provide a reasonable basis for my 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 management. Our examination was limited to the verification of procedure on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For PS Rao & Associates**  
Company Secretaries

Date : July 21, 2022  
Place: Hyderabad

**PS Rao**  
M.No:F10322;CP No: 3829  
UDIN: F010322D000665185  
P R.No:P2001TL078000

## Annexure IV

**Details in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- I. The ratio of remuneration of each director to the median remuneration of the employees and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary of the Company for the financial year:

S.No	Name of the Director/ KMP, Designation	Ratio of remuneration to the median remuneration of the employees	Percentage increase in remuneration
1	Mr Gaddam Venkata Ramana, Managing Director	9.86 : 1	10.55%
2	Mr Satyanarayana Raju Bhupathiraju, CFO & Whole-time Director	8.07 : 1	3.85%
3	Mr. Kandula Murali Mohan, Non-Executive - Non Independent Director	7.17 : 1	11.86%
4	Mr. Dilip Vishnu Acharekar, Independent Director*	0.30 : 1	31.74% &
5	Mr. Bhaskara Reddy Karna, Independent Director*	0.30 : 1	37.26% &
6	Ms. Thotakura Uma Sangeetha, Independent Director*	0.30 : 1	-
7	Ms. Chetna Tiwari, Company Secretary*	0.42 : 1	29.22% &

Note: Independent Directors were paid sitting fees for attending the Meetings.

\* Mr. Dilip Vishnu Acharekar, Mr. Bhaskara Reddy Karna and Ms. Thotakura Uma Sangeetha were appointed w.e.f November 16, 2020

\* Ms. Chetna Tiwari was appointed w.e.f January 11, 2021  
& Proportionately represented

- ii. The percentage increase in the median remuneration of employees in the financial year: 19.60 %
- iii. The number of permanent employees on the rolls of company: 66
- iv. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year: Not Applicable as the Company got demerged with effect from the appointed date i.e., April 1, 2020.
- v. Percentile increases in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not Applicable.
- vi. The key parameters for any variable component of remuneration availed by the directors: Not Applicable
- vii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

- (viii) Particulars of Employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment of Remuneration of Managerial Personnel) Rules, 2014:

S. No	Employee Name	Designation & Nature of Employment	Educational Qualifications	Age	Experience	Date of Joining	Gross Remuneration Paid (Rs. In Lacs)	Previous Employment and Designation, if any	% of share held, if any	Whether any such employee is a relative of any director/manager of the company
1	G.Venkata Ramana	Managing Director Permanent	M.SC	53 yrs	30 yrs	01 April 2006	33	Siris Limited	7.62	-
2	Bh.Satyanarayana Raju	Whole Time Director & CFO Permanent	SSLC	72 yrs	40 yrs	01 Mar 2009	27	Govt. Employee	5.56	-
3	Prithviraj V.patil	GM – Production Permanent	B.Tec h	49 yrs	25 yrs	01 April 2021	25.99	Salicylates and Chemicals Private Limited	-	-
4	V.Varaprasad	Plant Manager Permanent	M.SC	47 yrs	26 yrs	01 Mar 2008	24	Siris Limited	1.76	-
5	Kavuri Sireesh	Production -In Charge Permanent	B.SC	42 yrs	20 yrs	01 July 2020	17.10	Aren Life Sciences Ltd	-	-
6	D. Veeta Venkat Rao	Manager-R&D Permanent	PHD	42 yrs	20 yrs	30 May 2019	17.25	Shilpa Medicare Ltd	-	-
7	B V Ramakrishna	Manager Accounts & Finance Permanent	M.Co m	57 yrs	35 yrs	01 April 2010	12.45	Siris Limited	-	-
8	P. Anjaneya Raju	Manager- QA Permanent	M.SC	44 yrs	20 yrs	07 Oct 2015	10.96	GVK Bio-Tech Limited	-	-
9	A.Prabhakar Raju	Manager Warehouse Permanent	Graduation	47 yrs	21 yrs	01 April 2006	10.47	Business	3.87	Related to Satynarayana Raju
10	A Srinivasa Raju	Manager Purchase Permanent	Graduation	43 yrs	20 yrs	01 April 2006	10.47	Business		

For and on behalf of the Board

Place: Hyderabad  
Date :August 30, 2022

**Gaddam Venkata Ramana**  
Managing Director  
DIN: 00031873

**Satyanarayana Raju Bhupathiraju**  
Whole-time Director  
DIN: 02697880

## **CORPORATE GOVERNANCE REPORT**

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and the report contains the details of Corporate Governance systems and processes at Vineet Laboratories Limited ('Vineet' or 'the Company').

Corporate governance is the set of processes, customs, policies, laws and institutions affecting the way a company is directed, administered or controlled. It is a system of structuring, operating and controlling a company with a view to achieve long term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers.

Corporate governance is based on principles such as conducting the business with all integrity and fairness, being transparent with regard to all transactions, making all the necessary disclosures and decisions, complying with all the laws of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

The detailed report on Corporate Governance as per the format prescribed by Securities and Exchange Board of India under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is set out below:

### **1) Company's Philosophy on Code of Governance**

Vineet is committed to good corporate governance. Vineet aims to achieve the objective of enhancing the shareholders' value by ensuring effective relationship with stakeholders and protecting their interests. Vineet believes that the Company's business strategy and plans should be consistent with the welfare of all its stakeholders that will bring sustained corporate growth and long-term benefit to all.

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors, our environment and the society at large.

Vineet has been practising the principles of good corporate governance with a great zeal of commitment and sincerity. Vineet's principle of corporate governance comes from the belief that the high standards of ethics, timely disclosures, accountability and transparency go a long way in preserving shareholders' trust and creating wealth.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations as applicable, with regard to corporate governance and also the Guidance Note on Board Evaluation as prescribed by the Securities and Exchange Board of India (SEBI).

### **2) Board of Directors**

The Company believes that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance.

#### **a) Composition and Category of Directors**

The Board of Directors along with its committees provide leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has an engaged and well-informed Board with qualifications and experience in diverse areas. The Board composition is in conformity with Regulation 17 of Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act").

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Director. The Board of Directors of the Company consists of Six (6) Directors. To ensure transparent and professional conduct of board procedures in all aspects and related thereto, fifty percent i.e., 3 out of 6 Directors are Independent Directors. The Chairman of the Board is a Non-Executive Independent Director.

The Composition of the Board as of 31st March 2022 is given below:

S.No	DIN	Name of the Director	Designation	Category
1	00031873	Mr Gaddam Venkata Ramana	Managing Director	Executive Director
2	02697880	Mr Satyanarayana Raju Bhupathiraju	CFO & Whole-time Director	Executive Director
3	03313407	Mr. Kandula Murali Mohan	Director	Non-Executive Non Independent Director
4	08849689	Mr. Dilip Vishnu Acharekar	Director	Non-Executive - Independent Director
5	08961904	Mr. Bhaskara Reddy Karna	Director	Non-Executive - Independent Director
6	08120320	Ms. Thotakura Uma Sangeetha	Director	Non-Executive - Independent Director

Ms. Thotakura Uma Sangeetha has resigned from the office of Director effective June 5, 2022 and Ms. Hari Priya Yerukalapudi (DIN: 09690829) was appointed as an Additional Independent Director (Non-Executive Category) with effect from July 29, 2022 who shall hold the office as such up to date of the ensuing Annual General Meeting.

**b) Attendance of each Director at the Board Meetings and the last AGM**

The table hereunder gives the attendance record of the Directors at the Seven (7) Board Meetings held during the year 2021-22 and the last Annual General Meeting (AGM) held on 30th September 2021:

Name of the Directors	No. of Board	No. of Board Meeting entitled to attend	Attendance at AGM attended
Mr. Gaddam Venkata Ramana	7	7	Yes
Mr. Satyanarayana Raju Bhupathiraju	7	7	Yes
Mr. Kandula Murali Mohan	7	6	Yes
Ms. Thotakura Uma Sangeetha	7	7	Yes
Mr. Dilip Vishnu Acharekar	7	7	Yes
Mr. Bhaskara Reddy Karna	7	7	Yes

**c) Number of other Boards or Board Committees in which the director of the company is a member or Chairperson.**

S.No	Name of Directors	No. of other directorships held *	No. of other Board Committees**		Directorship in other listed entity
			As a Member	As a Chairman	
1	Mr. Gaddam Venkata Ramana	1	-	-	Ortin Laboratories Limited (Non-Executive-Non-Independent Director)
2	Mr. Satyanarayana Raju Bhupathiraju	1	-	-	Ortin Laboratories Limited (Non-Executive-Non-Independent Director)
3	Mr. Kandula Murali Mohan	-	-	-	-
4	Ms. Thotakura Uma Sangeetha	-	-	-	-
5	Mr. Dilip Vishnu Acharekar	-	-	-	-
6	Mr. Bhaskara Reddy Karna	-	-	-	-

Note: Excluding Private Limited Companies, Foreign Companies and Section 8 Companies. Only membership of Audit and Shareholders Grievances Committees are considered.

None of the Directors on the Board is a Director in more than 7 listed entities. None of the Non – Executive Directors is an Independent Director in more than 7 listed entities as required under the Listing Regulations. Further, the Managing Director and the Executive Director do not serve as Independent Directors in any listed company. None of the Directors held Directorships in more than 20 Indian companies, with more than 10 public limited companies. None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all Public Companies in India, in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.

All Directors are in compliance with the limit on Directorships /Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations.

The Company has received declarations on criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations from the Directors of the Company who have been classified as Independent Directors as on March 31, 2022.

**d) Number of Board meetings held, dates on which held.**

Seven (7) Board Meetings were held during the financial year ended 31st March 2022. The maximum gap between any two consecutive meetings did not exceed 120 days.

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY 2022 were held through Video Conferencing.

The dates on which the Board meetings were held are 03rd June 2021, 30th June 2021, 12th August 2021, 10th November 2021, 29th December 2021, 12th February 2022 and 21st March 2022. The necessary quorum was present for all the meetings. Minutes of the meetings of all the Board and Committees are circulated to all the Directors.

During FY 2022, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

**e) Meeting of Independent Directors.**

A separate meeting of Independent Directors was held on 12th February, 2022, inter-alia to review the performance of the Non-Independent Directors and the Board of Directors as a whole, review the performance of Chairperson of the Company and assess the quality, quantity and timeliness of flow of information between the management of the company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board.

**f) Disclosure of relationship between Directors inter-se.**

None of the other Directors are related to each other.

**g) Shares and Convertible Instruments held by Non-Executive Directors.**

S.No	Name of the Director	Number of Equity Shares held in the Company
1	Mr. Kandula Murali Mohan	1,15,746
2	Mr. Dilip Vishnu Acharekar	Nil
3	Mr. Bhaskara Reddy Karna	Nil
4	Ms. Thotakura Uma Sangeetha	Nil

Note: Face Value of Rs. 10/- each

**h) The detail of Familiarization programmes imparted to Independent Directors is given below.**

The details of programs for familiarization of the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are available on the website of the Company at the weblink [http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/familiarisation-programme\\_independent-directors.pdf](http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/familiarisation-programme_independent-directors.pdf)

**I) Skills/expertise/competencies of the Board of Directors for the effective functioning of the Company which are currently available with the Board:**

As required under the Listing Regulations, the list of core skills/expertise/competencies as identified by the Board of Directors in the context of its business and sector for it to function effectively and those available with the Board are as under:

Matrix of skills/expertise/competencies:

Knowledge	Understanding of the Company's business, policies and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates.
Pharma	A significant background in pharma industry, resulting in knowledge, generate disruptive markets, and extend or create new business models.
Behavioral Skills	Attributes and competencies to use their knowledge and skills to function well as team-members and to interact with key stakeholders.
Strategic thinking and Planning	Appreciation of long-term trends, strategic choices, and experience in guiding and leading management teams to make decisions in uncertain environments.
Leadership	Leadership Skill to ensure effective guidance to and monitoring of the management and to set a corporate culture and the values by which executives throughout the group should behave.
Sales and marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation
Financial Discipline and Risk Oversight	Understanding of Financial Management, Financial Reporting Process and Financial & Operational controls. Ensuring focus on returns. Understand and Oversee internal and external risks associated with the Business and to put in place appropriate policies and procedures to effectively manage such risks.
Corporate Governance	Experience in implementation of the statutory laws, rules, regulations etc. for effective implementation and ensuring proper corporate governance.

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

The details of Directors of the Company who possess the above referred skills/expertise/competencies are as given below:

Director	Knowledge of the Company's business	Behavioral Skills	Strategic thinking and Planning	Financial Skills	Sales and marketing	Governance Skills	Technical/ Professional skills and specialized Knowledge
Mr. Gaddam Venkata Ramana	#	#	#	#	#	#	#
Mr. Satyanarayana Raju Bhupathiraju	#	#	#	#	#	#	#
Mr.Kandula Murali Mohan	#	#	#	#	#	#	#
Ms.Thotakura Uma Sangeetha	#	#	#	#	#	#	#
Mr. Dilip Vishnu Acharekar	#	#	#	#	#	#	#
Mr. Bhaskara Reddy Karna	#	#	#	#	#	#	#

**j) Confirmation about Independent Directors in the opinion of the Board**

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence with an objective independent judgment and without any external influence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

No Independent Director had resigned during the Financial Year 2021-22. However, Ms. Thotakura Uma Sangeetha has resigned from the office of Director effective June 5, 2022 due to personal reasons and confirmed in her resignation that there is no other material reason other than that.

**k) Code of Conduct.**

The Board has laid down two separate Codes of Conduct, one for all the Board Members and the other for Senior Management of the Company. These Codes have been posted on the Company's website <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/code-of-conduct-for-board-of-directors.pdf> and <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/code-of-conduct-for-senior-management.pdf> respectively. All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Chairman and Managing Director to this effect is enclosed at the end of this Report is enclosed as **Annexure VII**. The Code of Conduct for the Board Members of the Company is in line with the provisions of the Companies Act, 2013, which includes Code for Independent Directors, which is a guide to professional conduct for Independent Directors of the Company pursuant to section 149(8) and Schedule IV of the Companies Act, 2013.

**l) CEO/CFO Certification**

As required under the Listing Regulations, the Managing Director and CFO of the Company have certified the Financial Statements for the year ended 31st March 2022 before their submission to the Board. The Chairman and Managing Director and CFO also furnish quarterly certification on Financial Statements while placing the Financial



Statements before the Board in terms of Regulation 17(8). The Annual Certificate given by the Managing Director and CFO forms part of the Annual Report as **Annexure VIII**.

**3) Audit Committee.**

**(a) Brief description of terms of reference.**

The Committee is empowered with the role and powers as prescribed under Regulation 18 of the Listing Regulations and section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

Terms of reference of the Audit Committee, inter alia, includes the following:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommend for appointment, remuneration and terms of appointment of auditors
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to
  - o matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  - o changes, if any, in accounting policies and practices and reasons for the same
  - o major accounting entries involving estimates based on the exercise of judgment by management
  - o significant adjustments made in the financial statements arising out of audit findings
  - o compliance with listing and other legal requirements relating to financial statements
  - o disclosure of any related party transactions
  - o modified opinion(s) in the draft audit report
- review, with the management, the quarterly financial statements before submission to the board for approval
- review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter
- review and monitor the auditor's independence and performance, and effectiveness of audit process
- approval or any subsequent modification of transactions of the listed entity with related parties
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the listed entity, wherever it is necessary
- evaluation of internal financial controls and risk management systems
- review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- discussion with internal auditors of any significant findings and follow up there on
- review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- to review the functioning of the whistle blower mechanism

- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
- review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- management discussion and analysis of financial condition and results of operations
- management letters / letters of internal control weaknesses issued by the statutory auditors
- internal audit reports relating to internal control weaknesses
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee
- statement of deviations - quarterly and annual

In addition, the Committee is also required to discharge such other roles / functions as may be decided from time to time.

**(b) Composition, Name of Members and Chairperson including meetings and attendance**

The Audit Committee of the Board is constituted with Three (3) Directors. All of the members of the Committee are financially literate and have adequate accounting knowledge. Accordingly, the Composition of the Audit Committee is in conformity with Regulation 18 of the Listing Regulations.

The Composition, Meetings and Attendance of Members of Audit Committee, is given below:

S.No	Name of Director	Designation	No. of Meetings Held	No. of Meetings attended
1	Mr. Bhaskara Reddy Karna	Chairperson	6	6
2	Mr. Dilip Vishnu Acharekar	Member	6	6
3	Ms. Thotakura Uma Sangeetha \$	Member	6	6

\$ Resigned from the Company effective June 5, 2022.

During the Financial Year 2021-22, the Audit Committee met 6 (six) times on the following dates:

03<sup>rd</sup> June, 2021, 30<sup>th</sup> June, 2021, 12<sup>th</sup> August, 2021, 10<sup>th</sup> November, 2021, 29<sup>th</sup> December, 2021, 12th February, 2022.

The Statutory Auditor, Internal Auditor, Chief Financial Officer and Senior Manager (Finance and Accounts) are invited to the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

**4) Nomination and Remuneration Committee**

**(a) Brief description of terms of reference**

The Committee is empowered with the role and powers as prescribed under Regulation 19 of the Listing Regulations, section 178 of the Companies Act, 2013 and in Nomination & Remuneration Policy of the Company. The Committee also acts in terms of reference and directions of the Board from time to time.

Terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
  - o For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The

person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- Formulate the criteria for evaluation of performance of independent directors and the board of directors;
  - Devise a policy on diversity of board of directors;
  - Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
  - Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
  - Recommend to the board, all remuneration, in whatever form, payable to senior management.

**(b) Composition, name of members and Chairperson including meetings and attendance**

The Nomination and Remuneration Committee of the Board is constituted with three Independent Directors. During the financial year 2021-22, Nomination and Remuneration committee met one (1) time on 28th February 2022.

The Composition, Meetings and Attendance of Members of Nomination and Remuneration Committee, is given below:

S.No	Name of the Director	Designation	No of Meetings Held	No. of meetings attended
1	Ms.Thotakura Uma Sangeetha \$	Chairperson	1	1
2	Mr. Bhaskara Reddy Karna	Member	1	1
3	Mr.Dilip Vishnu Acharekar	Member	1	1

\$ Resigned from the Company effective June 5, 2022.

**(c) Nomination and Remuneration policy.**

The Committee recommends the compensation package to the executive directors of the Company. The remuneration will include salary, perquisite,allowances and commission. The remuneration policy is directed towards rewarding performance based on review of achievements. It is aimed at attracting and retaining high caliber talent. The Nomination and Remuneration Policy is available on the Company’s website at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/nomination-remuneration-policy.pdf>

The Policy ensures that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

**(d) Performance Evaluation criteria for independent directors**

The performance evaluation criteria for Independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgement.

**5) Stakeholders Relationship Committee.****(a) Brief description of terms of reference**

The Committee is empowered with the role and powers as prescribed under Regulation 20 of the Listing Regulations and section 178(5) of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

Terms of reference of the Stakeholders Relationship Committee, inter alia, includes the following:

- Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**(b) Composition, name of members and Chairperson including meetings and attendance**

The Stakeholders Relationship Committee (SRC) of the Board is constituted with three Independent Directors. During the financial year 2021-22, SRC met only once on 29th December 2021.

The Composition, Meetings and Attendance of Members of Nomination and Remuneration Committee, is given below:

S.No	Name of Director	Designation	No. of meetings held	No. of meetings attended
1	Ms. Thotakura Uma Sangeetha	Chairperson	1	1
2	Mr. Bhaskara Reddy Karna	Member	1	1
3	Mr. Dilip Vishnu Acharekar	Member	1	1

The Committee has been delegated with following powers:

- To review and redress shareholder / investor's complaints etc. relating to transfer of shares, non-receipt of balance sheet/ annual reports, non-receipt of declared dividends etc.
- To approve transfer and transmission and issue of duplicate/fresh share certificates.
- To consolidate and sub-division of share certificates etc.
- To redress, approve and dispose of any other complaint, transaction and request etc. received from any shareholder of the Company and investor in general

Venture Capital and Corporate Investments Private Limited, the Registrar and Share Transfer Agents have been delegated the power to process the transfer and transmission of shares.

**(c) Name and designation of Compliance Officer**

Designation - Company Secretary and Compliance Officer Email id for investor grievances - <a href="mailto:grievance@vineetlabs.co.in">grievance@vineetlabs.co.in</a> / <a href="mailto:investorcomplaints@vineetlabs.co.in">investorcomplaints@vineetlabs.co.in</a>	
Ms. Chetna Tiwari Appointed on January 11, 2021 and Resigned on October 31, 2021	Ms. Nirosha Ravikanti Appointed on April 28, 2022

**(d) Complaints of shareholders**

Number of complaints received during 2021-22	2
Number of complaints not solved to the satisfaction of shareholders	0
Number of pending complaints	0

**6) Remuneration of Directors**

There are no pecuniary transactions with any non-executive director of the Company

Non-Executive Directors are paid sitting fee for attending the Board and Committee meetings.

- Criteria of making payments to non-executive directors is displayed on the website at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/criteria-for-makingpayment-to-NEDs.pdf>
- The details of sitting fee paid to the Independent Directors during the financial year 2021-22 are as follows:

Name of the Director	Amount (Rs.)
Ms. Thotakura Uma Sangeetha	1,00,000
Mr. Bhaskara Reddy Karna	1,00,000
Mr. Dilip Vishnu Acharekar	1,00,000

- The details of remuneration paid to Executive and Non- Executive Directors during the year are as follows:

Amount (Rs.)

Name of the Director and Designation	Salary	Benefits	Bonus	Commission	Service Contracts	Notice Period
Gaddam Venkata Ramana, Managing Director	33 Lakhs	-	-	-	Appointed for a period of 3 years w.e.f January 1, 2021	As per the Company Rules
Satyanarayana Raju Bhupathiraju, CFO & Whole-Time Director	27 Lakhs	-	-	-	Appointed for a period of 3 years w.e.f January 1, 2021	As per the Company Rules
Kandula Murali Mohan Non-Executive - Non Independent Director	-	24 Lakhs	-	-	-	-

There were no severance fees, stock option plan or performance linked incentive for Executive / Non-Executive Directors.

**7) General Body Meetings.****(a) Location and time, where last three AGMs held:**

The following are the details of the last three Annual General Meetings held:

Financial Year	Date	Time	Venue
2018-19	30-09-2019	9.30 AM	SY.No. 11/A3, Saheb Nagar, Kurdu Vill, Chintal Kunta, Eshwaramma Nilayam, L B Nagar, Hyderabad-500074
2019-20	19-12-2020	9.30 AM	SY.No. 11/A3, Saheb Nagar, Kurdu Vill, Chintal Kunta, Eshwaramma Nilayam, L B Nagar, Hyderabad-500074
2020-21	30-09-2021	2.00 PM	Audio Video Conference

**(b) Special Resolutions passed in the previous three AGMs:**

Financial Year	Special Resolution
2018-19	None
2019-20	Amendment of Articles of Association
2020-21	Appointment of Mr. Satyanarayana Raju Bhupathiraju, who is beyond the age of 70 Years, as Whole-time Director

**(c) Special Resolution passed last year through postal ballot – details of voting pattern – None**

**(d) Person who conducted the postal ballot exercise – Not Applicable**

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

At present, there is no proposal to pass any special resolution through Postal Ballot.

**(f) Procedure for Postal Ballot –** Since postal ballot was neither conducted nor proposed to be conducted, no procedure was followed for postal ballot.

**8) Means of Communication.**

**(a) Quarterly results:**

The quarterly results of the Company are published in accordance with the requirements of the Listing Regulations.

**(b) Newspapers wherein results normally published:**

Quarterly / Half Yearly / Annual Audited Results are generally published in widely circulated newspapers viz., Business Standard / Financial Express (English daily) and Nava Telangana (Regional Newspaper – Telugu Daily).

**(c) Any website, where displayed:**

Quarterly / Half Yearly / Annual Audited Results, Annual Reports, Announcements, Investor information, Policies etc. are displayed on the Company's website: <http://vineetlabs.co.in/financials2.html>

**(d) Annual Report**

Pursuant to the MCA circulars and SEBI Circulars, the Annual Report for FY 2021-22 containing the Notice of AGM will be sent through e-mails to all those Members whose e-mail IDs were registered with the Company/ Depository Participants.

**(e) Whether it also displays official news releases: None**

**(f) Presentations made to institutions investors or to the analysts:** No presentations were being made during the financial year

**9) General Shareholder Information.**

(a) Annual General Meeting: 6<sup>th</sup> Annual General Meeting - September 28, 2022 (Wednesday) at 11.00AM at Minerva Coffee Shop, 3<sup>rd</sup> Floor, Beside Sanjeevini Hospital, Kiran Nagar, Doctors Colony, Kothapat, Hyderabad, Telangana-500035,

(b) Financial Year: 1 April 2021 to 31 March 2022.

(c) Record Date for the purpose of Dividend & AGM: September 20, 2022

(d) Dividend Payment Date: Within 30 days from the date of declaration of dividend in AGM i.e., on or before October 27, 2022

(e) Listing on Stock Exchanges: BSE Limited  
P. J. Towers, Dalal Street, Mumbai 400 001  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex  
Bandra (East), Mumbai 400 051

The Company confirms that it has paid annual listing fees to the Stock Exchanges for the year 2022-2023.

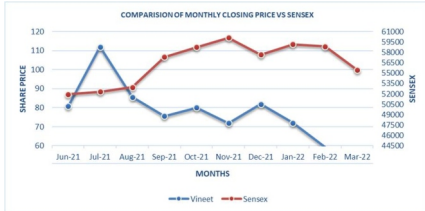
(f) Stock Code:

Demat ISIN No. for NSDL & CDSL	INE505Y01010
Name of the Stock Exchange	Stock / Scrip Code
BSE Limited	543298
National Stock Exchange of India Limited	VINEETLAB

(g) Market Price Data: High, Low during each month in financial year 2021-2022.

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	No. of Shares traded	High (Rs.)	Low (Rs.)	No. of Shares traded
Jun-21	80.80	44.85	7,38,399	80.80	44.00	16,59,000
Jul-21	124.70	77.20	16,86,756	124.00	71.00	57,78,000
Aug-21	113.75	74.35	3,06,704	114.90	73.80	12,91,000
Sep-21	87.00	72.45	1,30,087	86.65	72.25	4,27,000
Oct-21	89.45	74.30	1,08,866	89.00	74.30	4,25,000
Nov-21	91.25	70.10	1,36,494	92.00	69.65	6,63,000
Dec-21	83.70	67.85	1,23,011	84.65	67.80	5,51,000
Jan-22	85.00	69.50	99,459	87.60	67.30	4,61,000
Feb-22	80.50	52.00	1,30,356	75.00	51.65	5,42,000
Mar-22	64.45	47.35	1,12,140	62.90	45.50	4,40,000

(h) Performance of the share price of the Company in comparison to the broad based indices BSE SENSEX and NSE NIFTY:



(i) There was no suspension of trading in Securities of the Company during the year under review.

(j) Registrars and Share Transfer Agents:

Venture Capital and Corporate Investments Private Limited  
 12-10-167, Bharat Nagar,  
 Hyderabad - 500 018.  
 Phone: +91 – 40 -23818475  
 Fax: +91 – 40 -23868024  
 E-mail Id: investor.relations@vccipl.com

(k) Share Transfer system

The Company has appointed Venture Capital and Corporate Investments Private Limited, Hyderabad as Registrar and Share Transfer Agents for the purpose of carrying on the work relating to share transfers both physical and demat form. The requests received for transfer of shares from the shareholders are normally completed within prescribed time, subject to the documents being valid and complete in all respects. The Company obtains from

P S Rao & Associates, Practicing Company Secretaries, Hyderabad, Certificate of Compliance with share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the said Certificate with BSE Ltd and National Stock Exchange of India Limited.

As per the Listing Regulations, requests for effecting transfer of equity shares in physical form shall not be accepted by Venture Capital and Corporate Investments Private Limited, Registrars and Transfer Agents/Company, w.e.f. 01.04.2019 unless the equity shares are held in the dematerialized form with a Depository. This was communicated to the members who hold the shares in physical form. The shareholders need to convert the shares to demat form compulsorily, if they wish to effect any transfer. However, the restriction is not applicable to the requests received for transmission or transposition of physical shares. All the shareholders, who hold the shares in physical form, are requested to dematerialize the shares at the earliest to avoid inconvenience in future, for transferring the shares.

(I) Distribution of Shareholding

Distribution of Shareholding as on 31st March 2022:

Shareholding of Nominal Value of (Rs.)	Share Holders		Share Amount	
	Number	% To Total	In (Rs.)	% To Total
Upto - 5000	7,518	82.04	83,43,690	9.05
5001 - 10000	856	9.34	58,12,190	6.3
10001 - 20000	412	4.5	56,34,830	6.11
20001 - 30000	134	1.46	33,03,860	3.58
30001 - 40000	53	0.58	18,26,520	1.98
40001 - 50000	40	0.44	18,56,620	2.01
50001 - 100000	78	0.85	53,75,470	5.83
100001 and above	73	0.8	6,00,36,900	65.12
Total	9,164	100	9,21,90,080	100

Shareholding Pattern as on 31st March 2022:

S.No	Description	Shares	% Equity
1	Promoter Individuals	33,15,411	35.96
2	Resident Individuals	56,18,956	60.95
3	Bodies Corporates	1,55,607	1.69
4	HUF	0	0.00
5	Non-Resident Indians (NRIs)	82,998	0.90
6	NRI Non-Repatriation	0	0.00
7	Clearing Members	46,036	0.50
8	IEPF	0	0.00
9	Foreign Portfolio Investors	0	0.00
10	Alternative Investment Fund	0	0.00
11	Trusts	0	0.00
12	Banks	0	0.00
13	Directors and Relatives	0	0.00
14	Foreign Nationals	0	0.00
	<b>Total</b>	<b>92,19,008</b>	<b>100.00</b>



(m) Dematerialization of shares and liquidity

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

The Company has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization facility. All the shares were in dematerialized form as on 31st March 2022. The ISIN No/Code for the Company's Equity Shares is INE505Y01010.

(n) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity - Nil

(o) Commodity Price Risk or Foreign Exchange risk and hedging activities:

The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities; hence same are not applicable to the Company.

(p) Plant Location

Sy.no.300, Malkapur Village, Choutuppal Mandal,  
Yadadri bhuvangir Dist, - 508252 Telangana State

(q) Address for correspondence

**Company:**

The Company Secretary and Compliance Officer,  
Sy. No. 11/A3, Saheb Nagar, Kurdu Vill,  
Chintal Kunta, Eshwaramma Nilayam,  
L B Nagar, Hyderabad, Telangana – 500074  
Phone: 040-24128833  
E-mail Id: [cs@vineetlabs.co.in](mailto:cs@vineetlabs.co.in)

**Registrar and Share Transfer Agents:**

Venture Capital and Corporate Investments Private Limited  
12-10-167, Bharat Nagar,  
Hyderabad - 500 018.  
Phone: +91 – 40 -23818475  
Fax: +91 – 40 -23868024  
E-mail Id: [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com)

(r) Corporate Identity Number: L24304TG2016PLC112888

(s) Credit rating: Not obtained any Credit rating during the FY 2021-22.

**10) Disclosures.**

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.

During the year 2021-2022, there was no materially significant related party transaction which had potential conflict with the interests of the Company at large. The details of the related party transactions are disclosed in the notes on accounts forming part of the Annual Report. In terms of Regulation 23 of the Listing Regulations, the Board has formulated a Related Party Transaction Policy.

The Related Party Transaction Policy is uploaded on the website of the Company at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/related-party-transactions-policy.pdf>

(b) Details of Non-Compliance and Penalties.

The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all

matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities. None of the Company's listed securities is suspended from trading.

- (c) Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has framed a Whistle Blower Policy with a view to provide a vigil mechanism for Directors and Employees of the Company to report genuine concerns about unethical behaviour, any wrongdoings, actual or suspected fraud or violation of the Company's Code of Conduct, legal or regulatory requirements and to provide direct access to the Chairperson of the "Audit Committee" in appropriate or exceptional cases, to provide adequate safeguards for protection of Employees and Directors from victimization or unfair treatment and ensure that frivolous accusations are not made.

The Audit Committee periodically reviews the functioning of the Whistle Blower Mechanism.

No personnel have been denied access to the Audit Committee. Whistle Blower Policy is uploaded on the website of the Company at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/whistle%20blower-policy.pdf>

The Whistle Officer has not received any complaint for the financial year ended 31st March 2022.

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

The Company has complied with all the mandatory requirements of the Listing Regulations entered into with the Stock Exchanges. During the year under review, there is no audit qualification in your Company's financial statements. Your Company continues to adopt best practices to ensure regime of unqualified financial statements from non-mandatory requirements.

- (e) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – Not Applicable

- (f) Policy for determining 'material subsidiaries'

The Company does not have any subsidiaries

- (g) SEBI Complaints Redress System (SCORES): The investors' complaints are also being processed through the centralized web base complaint Redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of the complaints. SEBI vide its Circular dated 26th March, 2018 have streamlined the process of filing investor grievances in the SCORES in order to ensure speedy and effective resolution of complaints filed therein. The said Circular can be accessed on the website of SEBI at <https://www.sebi.gov.in/legal/circulars/>

- (h) A certificate (**Annexure V**) has been received from M/s. P.S. Rao & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has 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 statutory authority.

- (i) A certificate (**Annexure VI**) has been received from M/s. P.S. Rao & Associates, Practicing Company Secretaries regarding compliance of conditions of corporate governance, which is annexed to the Board's Report.

- (j) The Board has accepted the recommendations of all the Committees during the year 2021-2022.

- (k) M M Reddy & Co, Chartered Accountants (ICAI Firm Registration No. 010371S) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis is given below:

Particulars	Rs.
Services as statutory auditors	3,00,000
Other matters (including quarterly audits)	0
Re-imbusement of out-of-pocket expenses	0
<b>Total</b>	<b>3,00,000</b>

- (l) The Company has adopted a policy on prevention, prohibition and Redressal of Sexual harassment at workplace and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During FY 2021-2022, the Company has not received any complaints pertaining to Sexual Harassment. Further there were no cases / complaints pending disposal as at the end of the financial year.
- (m) 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' - No such transactions during the year under review.
- (n) As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking appointment / re-appointment at this AGM are given in the Annexure to the Notice of this AGM.
- (o) Disclosure of Accounting Treatment in preparation of Financial Statements:

The Company has followed the Indian Accounting Standards and Accounting Principles Generally Accepted in India in preparation of its Financial Statements.

- (p) Code for Prevention of Insider Trading Practices

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Fair Disclosure and Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Code has been formulated to regulate, monitor and ensure reporting of trading by the Employees and Connected Persons designated on the basis of their functional role in the Company towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable.

The Code of Conduct for prohibition of insider trading, and to regulate, monitor and report trading by designated person is posted on the website of the Company at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/code-of-conduct-for-prohibition.pdf>

The Code of practices and procedures for fair disclosure of UPSI is posted on the website of the Company at <http://vineetlabs.co.in/images/pdf/policies-and-code-of-conduct/code-of-practices-procedures-for-fair-disclosure-of-UPSI.pdf>

- (q) Management Discussion and Analysis Report

The Report on Management Discussion and Analysis is annexed to the Directors' Report and forms part of this Annual Report.

- (r) Proceeds from public issues, rights issue, preferential issues, etc. Nil
- (s) Disclosures in respect of demat suspense account/unclaimed suspense account as on 31.03.2022 – Nil.

**CERTIFICATE ON CORPORATE GOVERNANCE BY PRACTICING COMPANY SECRETARIES**  
*[Pursuant to Regulation 34(3) read with Para E of Schedule V to Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To  
The Members,  
Vineet Laboratories Limited,  
SY.No. 11/A3, Saheb Nagar, Kurdu Vill,  
Chintal Kunta, Eshwaramma Nilayam,  
L B Nagar Hyderabad, Telangana- 500074

We have examined the compliance of the conditions of Corporate Governance by Vineet Laboratories Limited (hereinafter referred to as "the Company") for the year ended March 31, 2022, as stipulated in Chapter IV of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

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

We conducted our examination of the Corporate Governance Report in accordance with the established systems and procedures selected by us depending on our judgement, including assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but are not limited to, verification of secretarial records and other information of the Company, as we deem necessary to arrive at an opinion.

Based on the procedures performed by us as mentioned above and according to the information and explanations provided to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations as applicable for the year ended March 31, 2022.

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

**For PS Rao & Associates**  
Company Secretaries

Place: Hyderabad  
Date: August 30, 2022

**PS Rao**  
M.No:F10322;  
CPNo: 3829  
UDIN: F010322D000665185  
P.R.No:P2001TL078000

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*[Pursuant to Regulation 34(3) read with clause (10)(i) of Para C of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To  
The Members,  
Vineet Laboratories Limited,  
SY.No. 11/A3, Saheb Nagar, Kurdu Vill,  
Chintal Kunta, Eshwaramma Nilayam,  
L B Nagar Hyderabad, Telangana- 500074

We have examined the relevant registers, records, forms, returns and disclosures received from the directors of Vineet Laboratories Limited having CIN: L24304TG2016PLC112888 and having registered office at SY.No. 11/A3, Saheb Nagar, Kurdu Vill, Chintal Kunta, Eshwaramma Nilayam, L B Nagar Hyderabad 500074 (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 Clause 10(i) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we 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.

S.No	Name of Director	Nature/Category of Directorship	Director Identification Number (DIN)
1	Mr. Gaddam Venkata Ramana	Managing Director	00031873
2	Mr. Satyanarayana Raju Bhupathiraju	CFO & Whole-time Director	02697880
3	Mr. Kandula Murali Mohan	Non- Independent Director	03313407
4	Ms. Thotakura Uma Sangeetha*	Independent Director	08120320
5	Mr. Dilip Vishnu Acharekar	Independent Director	08849689
6	Mr. Bhaskara Reddy Karna	Independent Director	08961904

\*Resigned as Director w.e.f June 5, 2022

Ensuring eligibility 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 the above based on our verification. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For P S Rao & Associates**  
Company Secretaries

Place: Hyderabad  
Date: August 30, 2022

**P S Rao**  
M.No:F10322;  
CP No: 3829  
UDIN: F010322D000665185  
P.R.No:P2001TL078000

**DECLARATION BY THE MANAGING DIRECTOR UNDER SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
The Members of Vineet Laboratories Limited

I, Gaddam Venkata Ramana, Managing Director of Vineet Laboratories Limited declare that all Board Members and Senior Management personnel have affirmed in writing their adherence to the Code of Conduct adopted by the Company for the year ended 31st March 2022.

**Gaddam Venkata Ramana**  
Managing Director  
DIN: 00031873

Place: Hyderabad  
Date: August 30, 2022

**COMPLIANCE CERTIFICATE  
CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

We, Managing Director and Chief Financial Officer of Vineet Laboratories Limited, certify that:

1. We have reviewed financial statements and the cash flow statement of the company for the financial year ended 31st March 2022 and that to the best of our knowledge and belief:
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year.
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
  - (iii) That there have been no instances of significant fraud of which we have become aware, involving of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Place: Hyderabad  
Date :August 30, 2022

**Gaddam Venkata Ramana**  
Managing Director  
DIN: 00031873

**Satyanarayana Raju Bhupathiraju**  
Whole-time Director  
DIN: 02697880

## **INDEPENDENT AUDITORS' REPORT**

To the Members of **Vineet Laboratories Limited**

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and its profit and its cash flows for the year ended on that date.

### **Report on the Financial statements**

We have audited the accompanying financial statements of VINEET LABORATORIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss, the Cash Flow Statement and the statement of equity for the year ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Emphasis of Matters**

1. During the year 2020-21 M/s. Ortin Laboratories Ltd has demerged and Unit-II of M/s. Ortin Laboratories Ltd is merged with M/s. Vineet Laboratories Limited and the accounts of Unit -II of M/s. Ortin Laboratories Ltd considered in to the books of accounts of the company as per Order of the Hon'ble NCLT, Hyderabad Bench, dated 24.12.2020. Accordingly, the Accounts of Unit-II of M/s. Ortin Laboratories Ltd have been



considered in the book of accounts of M/s. Vineet Laboratories Ltd for the financial year 2020-21 and financial year 2021-22.

2. During the year under review the company has received the notice from Addl Director, Director General of GST Intelligence, Visakhapatnam Zone u/s.74(5) of CGST Act 2017 with regard to availing of input tax credit of Rs.88,60,129/- on invoices without movement of goods of Rs.4,92,22,940/- from M/s. Raj Solvents Pvt Ltd during the years 2019-20 & 2020-21 relating to Unit-II of M/s. Ortin Laboratories Ltd. During the year the Company accounted the liability on account of wrong availing of ITC of Rs.88,60,129/- and considered as expenditure for the year. On account of this the profit of the company was reduced by Rs.88,60,129/-.
3. During the year under review the company has received the notice from Additional Director, Director General of GST Intelligence, Visakhapatnam Zone u/s.74(5) of CGST Act 2017 with regard to availing of input tax credit of Rs.14,90,453/- on invoices without movement of goods of Rs.82,80,290/- from M/s. Raj Solvents Pvt Ltd during the year 2021-22. On account of the above transactions the profit of the company lower stated to the extent of Rs.97,70,743/-.
4. The company has received U/s. 91 & 160 Cr.P.C. 1973 on 22.03.2022 from Central Bureau of Investigation, Banking Securities & Fraud Branch, Bangalore on LC No.0192111LC0000981 for Rs. 2,31,63,000/- dated 31.10.2011 with regard to discounting of the LC.
5. During the year under review, the company has made purchases to the extent of Rs.64,74,99,598/- from the related parties and sales to related parties of Rs.86,89,11,276/- and the same has been netted off in the party ledger accounts.
6. The company is in the business of manufactures of pharmaceutical intermediates and the inventories are considered as certified by the management.
7. Account receivables and payables are subject to confirmation from the respective parties and majority of the accounts receivable are long outstanding's.

#### **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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 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.
  - (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 except the sales made through trading activities.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements to the financial statements;

- ii. The Company did not have any derivative contracts and the Company has not made hedging on foreign currency exposure, for material foreseeable losses, if any, on long-term contracts to the financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **MM REDDY & CO.**,  
Chartered Accountants  
Firm Reg No.010371S

Date: 28.05.2022  
Place: Hyderabad

**M. Madhusudhana Reddy**  
Partner  
Membership No.213077  
UDIN: 22213077AJUUF01272

**Annexure – A to the Independent Auditors' Report:**

The Annexure referred to the independent auditors' report to the members of the company on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2022, we report that

- i.
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of all major fixed assets.
  - (b) A major portion of fixed assets have been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification.
  - (c) Book of accounts of the company does not carry any immovable properties for the reporting period. Hence the above point is not applicable.
- ii.
  - (a) As explained to us, the inventory has been physically verified by the management during the year at reasonable intervals;
  - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records
- iii. The Company has granted unsecured loans to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 as below:

S.No	Name of the Company	Nature of Relation	Amount in Rs.
<b>I</b>	<b>Unsecured Loans given</b>		
i.	Wohler Laboratories Private Limited	Associate Company	2,04,70,045
ii.	Vineet Life Sciences Private Limited	Associate Company	5,53,77,958
<b>II</b>	<b>Sales</b>		
i.	Vineet Life Sciences Private Limited	Associate Company	24,11,06,273
<b>III</b>	<b>Purchases</b>		
i.	Vineet Life Sciences Private Limited	Associate Company	48,95,87,662

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal.
- vi. In our opinion and according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.
- vii.
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Goods and service Tax, cess and any other statutory dues to the appropriate authorities and no undisputed amounts payable were outstanding as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or duty of customs or duty of

excise or value added tax or Goods and service Tax or cess as at 31st March, 2022 which have not been deposited on account of a dispute.

- viii. According to the information and explanations given to us and on the basis of examination of the records, the Company has not defaulted in the repayment of loans along with interest to any financial institutions, banks or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Companies (Auditor's Report) Order, 2020 is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2020 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. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment of equity share converted in to equal number equity shares of the company. The requirement of Section 42 and all the other applicable provisions of the Companies Act, 2013 and SEBI Regulations were complied with.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no instance of any resignation of the statutory auditors occurred during the year.
- xix. According to the information and explanations given to us and based on our examination of the records of the Company, the company is able to pay off the existing liabilities for next one year and material uncertainty doesn't exist as on date of audit report.
- xx. CSR is not applicable to this company.
- xxi. There are no adverse remarks in the audit reports issued by the respective auditors in case of companies included in the consolidated financial statements.

For **MM REDDY & CO.,**  
Chartered Accountants  
Firm Reg No.010371S

Date: 28.05.2022  
Place: Hyderabad

**M. Madhusudhana Reddy**  
Partner  
Membership No.213077  
UDIN: 22213077AJUUF01272

**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")

We have audited the internal financial controls over financial reporting of M/s. VINEET LABORATORIES LIMITED ("the Company") as of 31<sup>st</sup> March 2022 in conjunction with our audit of the 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 financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, as mentioned under emphasis of matters in our report, 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 31<sup>st</sup> 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 **M M REDDY & CO.**,  
Chartered Accountants  
Firm Reg No.010371S

Date: 28.05.2022  
Place: Hyderabad

**M. Madhusudhana Reddy**  
Partner  
Membership No.213077  
UDIN: 22213077AJUUF01272

**VINEET LABORATORIES LIMITED**  
**Statement of Financial Position as at March 31, 2022**

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	2	2,138.41	1,966.53
(b) Right to use assets		-	-
(c) Capital work in progress		-	-
(d) Investment properties		-	-
(e) Good will		-	-
(f) Other intangible Assets		-	-
(g) Intangible Assets under Development	-	-	-
(h) Biological Assets other than Bearer Plants		-	-
(d) Financial assets		-	-
(i) Investments	3	13.57	11.80
(ii) Trade receivables	4	403.44	133.37
(iii) Loans & Advances	5	487.73	100.24
(vi) other Financial assets	6	-	-
(e) Deferred Tax Asset (Net)	7	-	-
(f) Other non-current asset	8	47.02	25.97
<b>Total non-current assets (A)</b>		<b>3,090.17</b>	<b>2,237.92</b>
<b>2 Current assets</b>			
(a) Inventories	9	4,353.98	3,968.57
(a) Financial assets			
(i) Investments	3	-	-
(ii) Trade receivables	4	3,619.84	4,271.40
(iii) Cash and cash equivalents	10	1,665.94	75.09
(iv) Bank Balances other than (iii) above		145.75	135.08
(v) Loans	5	-	-
(iv) other financial assets	6	-	-
(b) Current Tax Asset (Net)		-	-
(c) Other current assets	11	487.40	186.10
<b>Total current assets (B)</b>		<b>10,272.91</b>	<b>8,636.23</b>
Non Current Assets Classified as Held for Sale (C)	12	-	-
<b>Total assets (A+B+C)</b>		<b>13,363.08</b>	<b>10,874.15</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	13	921.90	921.90
(b) Other equity	14	2,399.92	1,739.60
<b>Total equity (A)</b>		<b>3,321.82</b>	<b>2,661.50</b>
<b>2 Liabilities</b>			
(i) <b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	172.19	346.56
(ii) Trade Payables	16	72.05	70.05
(iii) Other Financial Liabilities	17	-	-
(b) Long term provisions	18	109.57	104.32
(c) Deferred tax Liabilities (Net)	7	179.11	226.75
(d) Other non Current Liabilities		-	-
<b>Total non-current liabilities (B)</b>		<b>532.92</b>	<b>747.67</b>
(ii) <b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	2,479.17	900.73
(ii) Trade payables	16	6,009.18	5,598.77
(iii) Other financial liabilities	17	419.01	593.37
(b) Short term provisions	18	318.33	124.07
(c) Other current liabilities	19	282.65	248.05
(d) Current Tax Liabilities (net)	7	-	-
<b>Total current liabilities (C)</b>		<b>9,508.34</b>	<b>7,464.99</b>
<b>Total liabilities (D+B+C)</b>		<b>10,041.26</b>	<b>8,212.65</b>
<b>Total equity and liabilities (A+D)</b>		<b>13,363.08</b>	<b>10,874.15</b>

The notes are an integral part of the financial statements

As per our Report of even date  
**For M M REDDY & CO.,**  
Chartered Accountants  
Firm Reg No:010371S

**M. Madhusudhana Reddy**  
Partner  
Membership No: 213077  
UDIN: 22213077AJUFO1272  
Place: Hyderabad  
Date: 28.05.2022

For and on behalf of the Board of Directors  
**VINEET LABORATORIES LIMITED**

**G. Venkata Ramana**  
Managing Director  
DIN:00031873

**Bh. Satyanaryana Raju**  
Whole Time Director & CFO  
DIN:02697880

**Nirosha Ravikanti**  
Company Secretary  
Membership No: A68115

## VINEET LABORATORIES LIMITED

## Statement of Profit and Loss and Other Comprehensive Income for the Period ended March 31, 2022

Particulars	Note No.	For the period ended March, 2022	For the year ended March 31, 2021
<b>Continuing Operations</b>			
I Revenue from operations	20	19,117.23	24,347.89
II Other income	21	28.51	38.60
III Net gain on de-recognition of financial assets at amortised cost	22	-	-
IV Net gain on reclassification of financial assets		-	-
<b>V Total income</b>		<b>19,145.74</b>	<b>24,386.49</b>
<b>VI Expenses</b>			
(a) Cost of material Consumed	23	15,139.89	19,275.52
(b) Purchase of Stock in Trade			
(c) Changes in stock of finished goods, work-in progress and stock-in-trade	24	(585.25)	535.79
(d) Employee benefits	25	490.94	557.06
(e) Finance cost	26	216.84	266.65
(f) Depreciation expense	27	201.57	180.67
(g) Impairment expenses/losses		-	-
(h) Net loss on de-recognition of financial assets at amortized cost		-	-
(i) Net loss on reclassification of financial assets		-	-
(j) Other expenses	28	2,747.22	3,164.96
<b>Total expenses (VI)</b>		<b>18,211.19</b>	<b>23,980.65</b>
<b>VII Profit/(loss) before Share of profit/(loss) of associates / joint ventures, exceptional items and tax (V - VI)</b>		<b>934.55</b>	<b>405.83</b>
VIII Share of profit/(loss) of associates		-	-
Share of profit/(loss) of joint ventures		-	-
<b>IX Profit/(Loss) before exceptional items and tax</b>		<b>934.55</b>	<b>405.83</b>
<b>X Exceptional itmes</b>		-	-
<b>XI Profit before Tax</b>		<b>934.55</b>	<b>405.83</b>
<b>XII Tax expense :</b>			
a. Current tax		318.33	127.87
b. Deferred tax		(47.63)	99.93
<b>Total</b>		<b>270.69</b>	<b>227.81</b>
<b>XIII Profit/(loss) for the year from continuing operations (XI-XII)</b>		<b>663.86</b>	<b>178.03</b>
<b>Discontinued Operations</b>			
XIV Profit/(loss) from discontinued operations		-	-
XV Tax Expense of discontinued operations		-	-
XVI Profit/(loss) from discontinued operations (XIV +XV)		-	-
XVII XVII Profit/(loss) for the year (XIII+XVI)		663.86	178.03
XIX Other comprehensive income(OCI)			
A (i) Items that will not be recycled to profit or loss			
(a) Others (gratuity and leave encashment excess provision reversal)		-	22.61
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3.54)	-
B (i) Items that may be reclassified to profit or loss		-	-
(ii) Income tax on items that may be reclassified to profit or loss		-	-
<b>Total other comprehensive income</b>		<b>(3.54)</b>	<b>22.61</b>
<b>IX. Total comprehensive income for the year (V+ VI)</b>		<b>660.32</b>	<b>200.64</b>
<b>X. Earning per equity share (for Continuing Operations)</b>			
(i) Basic		7.16	2.18
(ii) Diluted.		7.16	2.18
<b>XI. Earnings per equity share (for discontinued operation):</b>			
(i) Basic		0	0
(ii) Diluted.		0	0
<b>XII. Earnings per equity share (for Continued and discontinued operation):</b>			
(i) Basic		7.16	2.18
(ii) Diluted.		7.16	2.18
The notes are an integral part of the financial statements			

As per our Report of even date  
**For M M REDDY & CO.,**  
Chartered Accountants  
Firm Reg No:010371S

**M. Madhusudhana Reddy**  
Partner  
Membership No: 213077  
UDIN: 22213077AJUUF01272  
Place: Hyderabad  
Date: 28.05.2022

For and on behalf of the Board of Directors  
**VINEET LABORATORIES LIMITED**

**G. Venkata Ramana**  
Managing Director  
DIN:00031873

**Bh. Satyanaryana Raju**  
Whole Time Director & CFO  
DIN:02697880

**Nirosha Ravikanti**  
Company Secretary  
Membership No: A68115



**VINEET LABORATORIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2022**

Particulars	March 31, 2022	March 31, 2021
<b>A. CASH FROM OPERATING ACTIVITIES</b>		
(Loss)/Profit before tax and extraordinary items	934.55	405.83
Adjustment for:		
Income tax expense recognised in profit or loss	(318.33)	127.87
Finance costs recognised in profit or loss	216.84	266.65
Interest income recognised in profit or loss	(16.24)	(4.62)
Gain on disposal of property, plant and equipment	-	-
Gain on disposal of a subsidiary	-	-
Gain on disposal of interest in former associate	-	-
Net loss/(gain) arising held for trading financial liabilities	-	-
Hedge ineffectiveness on cash flow hedges	-	-
Net (gain)/loss on disposal of available-for-sale financial assets	-	-
Impairment loss recognised on trade receivables	-	-
Reversal of impairment loss on trade receivables	-	-
Depreciation and amortisation of non-current assets	201.57	180.67
Impairment of non-current assets	-	-
Net foreign exchange (gain)/loss	-	-
Expense recognised in respect of equity-settled share-based payments	-	-
Expense recognised in respect of shares issued in exchange for goods/services	-	-
Amortisation of financial guarantee contracts	-	-
Other Non cash Adj	(3.54)	
<b>Operating Profit before Working Capital Changes</b>	<b>1,014.85</b>	<b>976.41</b>
Movement for Working Capital:		
(Increase)/decrease in trade and other receivables	651.56	(651.56)
(Increase)/decrease in amounts due from customers under construction contracts		
(Increase)/decrease in inventories	(385.41)	(3,968.57)
(Increase)/decrease in other assets	(301.30)	(146.55)
Increase/ (Decrease) in trade and other payables	410.42	5,598.77
Increase/(decrease) in amounts due to customers under construction contracts		
Increase/(decrease) in provisions	194.26	124.07
(Decrease)/increase in deferred revenue		
(Decrease)/increase in other liabilities	(139.76)	827.90
Changes in non current assets and liabilities		
Decrease/(Increase) in loans & advances		
Decrease/(Increase) in Long Term Provisions		
Decrease/(Increase) in Other non Current Assets	(680.37)	(271.39)
(Decrease)/Increase in Other non Current Liabilities	7.26	174.36
Changes in non current assets and liabilities		
Cash generated from operations	771.49	2,663.44
- Income taxes paid	-	85.16
Net Cash flow before extraordinary items	771.49	2,748.60
-Extraordinary & Prior period items	-	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>771.49</b>	<b>2748.60</b>

VINEET LABORATORIES LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2022

Particulars	March 31, 2022	March 31, 2021
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payments to acquire financial assets	(373.44)	(785.13)
Proceeds on sale of financial assets	-	0
Interest received	16.24	4.62
Royalties and other investment income received	-	0
Dividends received from associates	-	0
Other dividends received	-	0
Amounts advanced to related parties	-	0
Repayments by related parties	-	0
Payments for property, plant and equipment	-	0
Proceeds from disposal of property, plant and equipment	-	0
Payments for investment property	-	0
Proceeds from disposal of investment property	-	0
Payments for intangible assets	-	0
Net cash outflow on acquisition of subsidiaries	-	0
Net cash inflow on disposal of subsidiary	-	0
Net cash inflow on disposal of associate	0	0
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(357.20)</b>	<b>(780.51)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity instruments of the Company	-	880.90
Proceeds from issue of convertible notes	-	-
Payment for share issue costs	-	-
Payment for buy-back of shares	-	-
Payment for share buy-back costs	-	-
Proceeds from issue of redeemable preference shares	-	-
Proceeds from issue of perpetual notes	-	-
Payment for debt issue costs Proceeds from borrowings	-	-
(Repayment)/ Proceeds of borrowings	1,404.08	1,247.28
Proceeds from government loans	-	-
Dividends paid on redeemable cumulative preference shares	-	-
Dividends paid to owners of the Company	-	-
Interest paid	(216.84)	(266.65)
Long Term Provisions	-	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>1,187.24</b>	<b>1,861.53</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>1,601.52</b>	<b>3,829.62</b>
Cash and cash equivalents at the beginning of the year	3,830.00	0.38
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	-
Cash and cash equivalents at the end of the year as on	5,612.20	3,830.00
Reconciliation of cash and cash equivalents as per the cash flow Statement	-	-
Cash and cash equivalents (Note. 9)	1,811.69	210.17
Balance as per statement of cash flows	<b>1,811.69</b>	<b>210.17</b>

As per our Report of even date  
For **M M REDDY & CO.**,  
Chartered Accountants  
Firm Reg No:010371S

**M. Madhusudhana Reddy**  
Partner  
Membership No: 213077  
UDIN: 22213077AJUUF01272

Place: Hyderabad  
Date: 28.05.2022

For and on behalf of the Board of Directors  
**VINEET LABORATORIES LIMITED**

**G. Venkata Ramana**  
Managing Director  
DIN:00031873

**Bh. Satyanaryana Raju**  
Whole Time Director & CFO  
DIN:02697880

**Nirosha Ravikanti**  
Company Secretary  
Membership No: A68115

## Corporate Information:

“VINEET LABORATORIES LIMITED (Formerly Known as Ortin Laboratories Limited, Unit-II)” is engaged in the business of Drug Intermediates & Bulk Dugs. It is public company domiciled in India and incorporated under the provisions of Companies Act, 2013 applicable in India and it was incorporated in India on 10-11-2016 having its Registered office at SY. No. 11/A3, Saheb Nagar, Kurdu Vill, Chintal Kunta, Eshwaramma Nilayam, L B Nagar, Hyderabad, Telangana-500074, India. The shares of the company are listed in Bombay Stock Exchange and National Stock Exchange.

The above financial statements were authorized for issue in accordance with a resolution of the Board of directors on 28.05.2022

### 1. Basis for Preparation of financial statements:

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

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

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

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31stMarch, 2022, the Statement of Profit and Loss for the year ended 31stMarch 2022, the Statement of Cash Flows for the year ended 31stMarch 2022 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as ‘Ind AS Financial Statements’ or ‘financial statements’).

#### b. Basis of Preparation of financial statements

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (‘Ind AS’) notified under The Companies (Indian Accounting Standards) Rules 2015(as amended from time to time) and presentation requirements of Division II of Schedule III of companies Act, 2013. as applicable to the Standalone Financial Statements.

The standalone financial statements have been prepared om historical cost basis and consistent with previous year subject changes in accounting policies. The Standalone financial statements are prepared in INR.

**c. Uses of Estimates and judgments:**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the end of the reporting year. Although these estimates are based on the management bet knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes of requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

The areas involving critical estimates or judgments are:

S.No	Name of the estimate	Note No	Remarks
1	Fair value of unlisted equity securities	Note No.2.9	No investment made by the company in unlisted shares
2	Goodwill impairment	Not applicable	No goodwill
3	Useful life of intangible asset	Not applicable	No intangible assets held by the company for the current financial year
4	Measurement of contingent liabilities and contingent purchase consideration in a business combination	Not applicable	Contingent transactions are recognized based on happening contingent event. No contingent liabilities for the report
5	Current tax expense and current tax payable	Note No.8	As per the Ind AS.12
6	Deferred tax assets for carried forward tax losses	Note No.8	As per the Ind AS.12
7	Impairment of financial assets	Note No.2.22	As per Ind AS 16

**d. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

In assessing the recoverability of assets including trade receivables, unbilled receivables and investments, the Company has considered internal and external information upto the date of approval of these

standalone financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic COVID-19 may be different from those estimated as on the date of approval of these standalone financial statements.

**e. Historical cost convention and Accrual basis:**

The separate financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis as per the provisions of Companies Act 2013.

- Financial instruments - measured at fair value;
- Assets held for sale - measured at fair value less cost of sale;
- Plan assets under defined benefit plans - measured at fair value
- Employee share-based payments - measured at fair value
- Biological assets - measured at fair value
- In addition, the carrying values of recognized assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

**f. Current and Non-Current Classification:**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it satisfies any of the following criteria: it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle. It is held primarily for the purpose of being traded;

- It is expected to be realized within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Company's normal operating cycle;
  - It is held primarily for the purpose of being traded
  - It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a

liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

- All other liabilities are classified as non-current

## 2. Significant accounting policies:

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

### 2.1 Property Plant and Equipment (Ind AS 16):

#### **Tangible Assets:**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### **Depreciation methods, estimated useful lives and residual value:**

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

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

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

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

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

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

S. No	Asset	Useful life (in Years)
1	Factory Building	30
2	Plant & Machinery	20
4	Testing Equipment	20
6	Furniture & Fixtures	10
5	Electrical Fittings	10
6	Vehicles	8
7	Computer	3
8	Air Conditioner	15
9	Other Assets	20

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

## 2.2 Impairment Assets (Ind AS 36):

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

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

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

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill

allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

### 2.3 Intangible assets (Ind AS 38):

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

### 2.4 Ind AS 105: Non-Current Assets held for Sale or Discontinued Operations:

S. No.	Particulars of Disclosures	As at 31st March 2022	As at 31st March 2021
1	A Description of Non-Current Asset (Disposal group)	Nil	Nil
2	A description of the facts and circumstances of the sale, or leading to the expected disposal, and the expected manner and timing of that disposal	Nil	Nil
3	The gain or loss recognized in accordance with paragraphs 20-22 and, if not separately presented in the statement of profit and loss, the caption in the statement of profit and loss that includes that gain or loss	Nil	Nil

### 2.5 Ind AS 106: Exploration for Evolution of Mineral resources:

This Ind AS 106 not applicable, the company is in the business of distribution of HPMPs division and EATON Power Solutions. Hence this Ind AS does not have any financial impact on the financial statements of the company.

### 2.6 Cash Flow Statement (Ind AS 7):

Cash flows are reported using the indirect method under Ind AS 7, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are



readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

- a. Non-cash items: Nil
- b. Changes in Liability Arising from Financing Activity

<b>Particulars</b>	<b>01-04-2021</b>	<b>Cash Flow (Net)</b>	<b>31-03-2022</b>
Current Borrowings	9,00,72,651	15,78,44,421	24,79,17,072
Non-current Borrowings	3,46,55,614	(1,74,36,873)	1,72,18,741
<b>Total</b>	<b>12,47,28,625</b>	<b>14,04,07,548</b>	<b>26,51,35,813</b>

## 2.7 Operating Cycle:

The Company has adopted its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets for processing and their realization, for the purpose of current / non-current classification of assets and liabilities.

## 2.8 Capital Work in Progress

Capital Work in Progress (CWIP) includes Civil Works in Progress, Plant & Equipment under erection and Preoperative Expenditure pending allocation on the assets to be acquired/commissioned, capitalized. It also includes payments made to towards technical know-how fee and for other General Administrative Expenses incurred for bringing the asset into existence.

Investments are classified as Non-Current and Current investments. Investments, which are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value. Non-Current Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments.

## 2.9 Effects of changes in foreign exchange rates (Ind AS 21):

During the financial year the company has made export turnover of Rs. 57,607 and imports of goods for Rs. 13,26,35, 033/ during the FY 2021-22 and reported a net gain on foreign exchange transactions of Rs.9,15,120/-

## 2.10 Borrowing Costs (Ind AS 23):

Borrowing costs that are attributable to the acquisition or construction of qualifying assets up to the date of capitalization of such asset are capitalized as part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

## **2.11 Revenue Recognition (Ind AS 18-Revenues):**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

- Sales Revenue is recognized on dispatch to customers as per the terms of the order. Gross sales are net of returns and applicable trade discounts and excluding GST billed to the customers.
- Subsidy from Government is recognized when such subsidy has been earned by the company and it is reasonably certain that the ultimate collection will be made.
- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.
- All other incomes are recognized based on the communications held with the parties and based on the certainty of the incomes.

## **2.12 Accounting for Government Grants and Disclosure of Government Assistance (Ind AS 20):**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognizes as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and nonmonetary grants are recognised and disclosed as ‘deferred income’ under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest and effect of this favorable interest is treated as a government grant. The loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the income statement immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**2.13 Inventories (Ind AS 2):**

**Inventories at the year-end are valued as under:**

Raw Materials, Packing Material, Components, Consumables and Stores & Spares	At Cost as per First in First out Method (FIFO)
Work in Progress and Finished goods	At lower of net realizable value and Cost of Materials plus Cost of Conversion and other costs incurred in bringing them to the present location and condition

- Cost of Material excludes duties and taxes which are subsequently recoverable.
- Stocks at Depots are inclusive of duty, wherever applicable, paid at the time of dispatch from Factories.

**2.14 Trade Receivables - Doubtful debts:**

Provision is made in the Accounts for Debts/Advances which is in the opinion of Management is Considered doubtful of Recovery.

**2.15 Retirement and other Employee Benefits (Ind AS 19):**

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

Gratuity liability is a defined benefit obligation and the cost of providing the benefits under this plan has determined on the basis of actuarial valuation at each year-end.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company has been provided provision for leave encashment.

**2.16 Ind AS 17- Leases**

Finance charges in respect of finance lease obligations are recognized as finance costs in the statement of profit and loss. In respect of operating leases for premises, which are cancellable / renewable by mutual consent on agreed terms, the aggregate lease rents payable are charged as rent in the Statement of Profit and Loss.

**2.17 Insurance Claims:**

Insurance Claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**2.18 Earnings per Share (Ind AS 33):**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of

equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

### **2.19 Segment Reporting:**

The company operates business the business of Drug Intermediates & Bulk Dugs. Hence segment reporting is not applicable.

### **2.20 Provisions, Contingent Liabilities and Contingent Assets (Ind AS 37):**

The Company recognized provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources required to settle the obligation in respect of which a reliable estimate can be made A disclosure for Contingent liabilities is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets are neither recognized nor disclosed in the financial statements.

### **2.21 Prior Period and Extraordinary and Exceptional Items:**

- All Identifiable items of Income and Expenditure pertaining to prior period are accounted through ‘‘Prior Period Items’’.
- Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly. The nature and the amount of each extraordinary item be separately disclosed in the statement of profit and loss in a manner that its impact on current profit or loss can be perceived.
- Exceptional items are generally non-recurring items of income and expenses within profit or loss from ordinary activities, which are of such, nature or incidence.

### **2.22 Financial Instruments (Ind AS 107): Financial Instruments:**

#### **I. Financial assets:**

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

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue

of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

➤ Financial assets carried at amortized cost (AC)

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

➤ Financial assets at fair value through profit or loss (FVTPL)

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

➤ Financial assets at fair value through other comprehensive income (FVTOCI)

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

**B. Investments in subsidiaries**

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

**II. Financial Liabilities**

**A. Initial recognition**

All financial liabilities are recognized at fair value.

**B. Subsequent measurement**

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

**2.23 Events Reporting Period (Ind AS-10)**

An entity shall adjust the amounts recognized in its financial statements to reflect adjusting events after the reporting period.

**2.24 Construction Contracts (Ind AS-11)**

The company is in the business the business of Drug Intermediates & Bulk Dugs, hence IndAS -11 Construction Contract not applicable.

**2.25 Consolidated and Separate Financial Statement (Ind AS 27):**

The company operates business the business of Drug Intermediates & Bulk Dugs. Hence reporting is not applicable.

**2.26 Investments in Associates (Ind AS 28):**

The company has not made any investments in any of its associates during the reporting period. This accounting standard has no financial impact on the financial statements for the current reporting period.

**2.27 Interest in Joint Ventures (Ind AS 31)**

The company has no interest in any Joint ventures. This accounting standard has no financial impact on the financial statements for the current reporting period.

**2.28 Income Taxes (Ind AS 12)**

**Tax Expense comprises of current and deferred tax.**

- **Current Tax:**

Current Tax on Income is determined and provided on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

In the year in which ‘Minimum Alternative Tax ‘(MAT) on book profits is applicable and paid, eligible MAT credit equal to the excess of MAT paid over and above the normally computed tax, is recognized as an asset to be carried forward for set off against regular tax liability when it is probable that future economic benefit will flow to the Company within the MAT credit Entitlement period as specified under the provisions of Income Tax Act, 1961.

- **Deferred Taxes:**

Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax

asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

## **2.29 New and Amended Standards**

### **Amendment to Ind AS 116: COVID -19 Related Rent Concessions:**

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is lease modification. A lessee that makes this election accounts for any change in lease payments resulting from COVID-19 related rent concession the same way it would account for the changes under Ind AS 116, if changes were not lease modifications. This Amendment had no impact on the standalone financial statements of the Company.

### **Amendment to Ind AS 1 and Ind AS 8: Definition of material:**

The Amendments provide a new definition of material that states “information is material if omitting, misstating or obscuring it is reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about specific reporting entity”. The amendments clarify that materiality will depend on the nature of magnitude of information, either individually or in combination with other information, in the context of the financial year statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on standalone financial statements of the company.

### **Amendment to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform:**

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurements provide number of reliefs, which apply to all hedging relationships that are directly affected interest rate benchmark reform. A hedging relationship is affected if the reform gives raise to uncertainty about the timing and/or amount of benchmark -based cash flow of hedging items or hedging instrument. These amendments have no impact on the standalone financial statements of the company as it does not have any interest rate hedge relation.

The amendment to Ind AS 107 prescribe the disclosure which entities are required to make for hedging relationship to which the reliefs as per the amendments in Ind AS 109 are apply. This amendment had no impact on the standalone financial statement of the company.

## Note 2: a) Property, Plant Equipment

Particular	Land	Factory Building	Administrative Building	Plant & Machinery	Testing Equipment	Furnitures & Fixtures	Electrical Fittings	Vehicles	Other Assets	Computer	Air Conditioner	Total
<b>Cost/Deemed Cost:</b>												
<b>As at March 2020</b>	-	366.33	-	2,495.11	68.10	30.74	91.34	167.04	14.24	15.67	1.47	3,262.30
Additions through Demerger	12.25	66.63	-	68.02	-	1.70	1.27	140.19	-	8.25	-	286.05
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 2021</b>	<b>12.25</b>	<b>432.96</b>	<b>-</b>	<b>2,563.12</b>	<b>68.10</b>	<b>32.44</b>	<b>92.61</b>	<b>307.23</b>	<b>14.24</b>	<b>23.92</b>	<b>1.47</b>	<b>3,548.35</b>
Additions	-	-	-	307.54	3.85	-	-	55.65	-	6.40	-	373.44
Deletions	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 2022</b>	<b>12.25</b>	<b>432.96</b>	<b>-</b>	<b>2,870.66</b>	<b>71.95</b>	<b>32.44</b>	<b>92.61</b>	<b>362.89</b>	<b>14.24</b>	<b>30.32</b>	<b>1.47</b>	<b>3,921.79</b>
<b>Depreciation/Impairment</b>												
<b>As at March 2020</b>												
Addition on Demerger	-	114.92	-	1,076.02	36.90	8.25	75.81	70.56	6.61	11.60	0.46	1,401.14
Depreciation for the year	-	12.68	-	127.73	3.47	3.05	2.07	27.53	0.72	3.33	0.10	180.67
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 2021</b>	<b>-</b>	<b>127.60</b>	<b>-</b>	<b>1,203.76</b>	<b>40.37</b>	<b>11.30</b>	<b>77.88</b>	<b>98.09</b>	<b>7.33</b>	<b>14.92</b>	<b>0.56</b>	<b>1,581.82</b>
Depreciation for the year	-	12.21	-	134.56	3.59	2.83	1.78	39.94	0.72	5.84	0.10	201.57
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 2022</b>	<b>-</b>	<b>139.81</b>	<b>-</b>	<b>1,338.31</b>	<b>43.96</b>	<b>14.13</b>	<b>79.67</b>	<b>138.04</b>	<b>8.05</b>	<b>20.76</b>	<b>0.66</b>	<b>1,783.38</b>
<b>Net Book Value</b>												
<b>As at March 2022</b>	<b>12.25</b>	<b>293.15</b>	<b>0</b>	<b>1532.35</b>	<b>27.99</b>	<b>18.31</b>	<b>12.94</b>	<b>224.85</b>	<b>6.19</b>	<b>9.56</b>	<b>0.81</b>	<b>2138.41</b>



## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note.3 : Investments

S.No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non Current:</b>		
1	<b>Investments in Quoted Mutual Funds</b>	13.57	11.80
2	<b>Investment in unquoted shares of subsidiaries:</b>	-	-
3	<b>Investment in unquoted shares of Others:</b>	-	-
4	investment in Joint Ventures	-	-
5	investment in Preference Shares	-	-
6	Investment in partnerships:	-	-
	<b>Total</b>	<b>13.57</b>	<b>11.80</b>
	<b>Notes:</b>		
	<b>Quoted</b>		
	<b>Agregate Book Value</b>	<b>11.80</b>	<b>11.80</b>
	<b>AgregateMarket Value un quoted</b>	<b>13.57</b>	<b>11.80</b>
	<b>Agregate Carrying Value</b>	-	-
	<b>Current:</b>		
1	investments in Mutual Funds		
	a) Canara Robeco Mutual Fund - Growth		
	<b>Quoted</b>		
	<b>Agregate Book Value</b>	-	-
	<b>AgregateMarket Value Un quoted</b>	-	-
	<b>Agregate Carrying Value</b>	-	-
	<b>Total</b>	-	-
<b>Note 4: Trade Receivables</b>			
	<b>Non Current</b>		
<b>A</b>	<b>Secured and considered good:</b>		
	- From Related party	-	-
	- From Others	-	-
<b>B</b>	<b>Unsecured and considered good:</b>		
	- From Related party	-	-
	- From Others	403.44	133.37
<b>C</b>	<b>Doubtful:</b>		
	-From Related party	-	-
	-From Others	-	-
	Less: allowance for doubtful debts	-	-
	<b>Total</b>	<b>403.44</b>	<b>133.37</b>
	<b>Current:</b>		
<b>A</b>	<b>Secured and considered good:</b>		
	-From Related party	-	-
	-From Others	-	-
<b>B</b>	<b>Unsecured and considered good:</b>		
	-From Related party	-	-
	-From Others	3,619.84	4,271.40
<b>C</b>	<b>Doubtful:</b>		
	-From Related party	-	-
	-From Others	-	-
	Less: allowance for doubtful debts	-	-
	<b>Total</b>	<b>3,619.84</b>	<b>4,271.40</b>

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 5: Loans &amp; Advances

S.No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non Current:</b>		
A	Loans :		
1	To related parties	-	-
2	Trade and Other Deposits	487.73	92.22
3	to other boady corporate	-	-
4	to employees	-	-
5	Security Deposits:		
6	Interest Receivables	-	8.02
7	Less: allowances for Doubfull loans	-	-
	<b>Total Loans</b>	<b>487.73</b>	<b>100.24</b>
	<b>Notes:</b>		
1	Considered good	487.73	100.24
2	Considered Doubt full, Provided:	-	-
3	To related parties	-	-
4	to other boady corporate	-	-
5	to employees	-	-
	<b>Current:</b>		
A	<b>Loans :</b>		
1	To related parties	-	-
2	to other boady corporate	-	-
3	to employees	-	-
4	Securirty Deposits:	-	-
5	Less: allowances for Doubfull loans	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
	<b>Notes:</b>		
1	Considered fgood	-	-
2	Considered Doubt full, Provided:	-	-
3	To related parties	-	-
4	to other boady corporate	-	-
5	to employees	-	-

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 6: Other Financial Assets

S.No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>Non Current:</b>		
A	Loans :		
	<b>Non Current</b>		
1	Export benefits and entitlements	-	-
2	Insurance claims receivable	-	-
3	Advances towards equity/preference share capital	-	-
4	Derivative instruments:		
a	Derivative instruments at fair value	-	-
b	Cash flow hedges	-	-
c	Foreign exchange forward contracts	-	-
	<b>Total Derivative Instruments at fair value through OCI</b>	-	-
5	Derivative instruments at fair value through profit or loss through OCI:		
	Derivatives not designated as hedges	-	-
	Foreign exchange forward contracts	-	-
	Embedded derivatives	-	-
	<b>Total derivative instruments at fair value through profit or loss</b>	-	-
	<b>Total Financial Assets</b>	-	-
	<b>Current</b>		
1	Export benefits and entitlements	-	-
2	Insurance claims receivable	-	-
3	Advances towards equity/preference share capital	-	-
4	Derivative instruments:		
a	Derivative instruments at fair value	-	-
b	Cash flow hedges	-	-
c	Foreign exchange forward contracts	-	-
	<b>Total Derivative Instruments at fair value through OCI</b>	-	-
5	Derivative instruments at fair value through profit or loss through OCI:		
	Derivatives not designated as hedges	-	-
	Foreign exchange forward contracts	-	-
	Embedded derivatives	-	-
	<b>Total derivative instruments at fair value through profit or loss</b>	-	-
	<b>Total Financial Assets</b>	-	-

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 7: Deferred Tax Assets ( Net)

S.No.	Particulars	As at 31st March 2022	As at 31st March 2021
	<b>(i) Deferred Tax Assets</b>		
	Opening Balance		
	Adjustment / Credit During the Year	47.63	-
	<b>Closing Balance</b>	<b>47.63</b>	<b>-</b>
	<b>(ii) Deferred tax Liability</b>		
	Opening Balance	226.75	126.81
	Adjustment / Credit During the Year	-	99.93
	<b>Closing Balance</b>	<b>226.75</b>	<b>226.75</b>
	<b>(iii) Deferred Tax Asset / Liability Net (i-ii)</b>	<b>179.11</b>	<b>226.75</b>

## Note 8: Other Non Current Assets

A	Other Non-Current Assets		
	Capital Advances	-	-
	Advances other than capital advances	18.04	18.22
	Security Deposits:		
	Government Authorities - Electricity Dept		
	— Advances to Related Parties	-	-
	— Other Advances	-	-
	Others (TDS Receivable)	28.99	7.75
	<b>Total of Other Non-current Assets</b>	<b>47.02</b>	<b>25.97</b>

## Note 9: Inventories

1	Raw Material	2,387.04	2,586.88
2	Packing Material	-	-
3	Work In Process	1,966.94	1,381.69
4	Stock in Trade	-	-
5	Finished Goods	-	-
6	Consumables & Stores and Spares	-	-
7	Property under Development	-	-
	<b>Total Inventories</b>	<b>4,353.98</b>	<b>3,968.57</b>

## Notes 9.1: Disclosure of Inventories pledged as security for liabilities as follows

S.No.	Particulars	Carrying Amount Rs.	Securities Pledged against Rs.
<b>A</b>	<b>As at 31st March 2022</b>		
a	Raw Material	2,387.04	-
b	Work In Process	1,966.94	-
c	Finished Goods	-	-
	<b>Total Inventories</b>	<b>4,353.98</b>	<b>2,479.17</b>
<b>B</b>	<b>As at 31st March 2021</b>		
a	Raw Material	2,586.88	-
b	Work In Process	1,381.69	-
c	Finished Goods	-	-
	<b>Total Inventories</b>	<b>3,968.57</b>	<b>900.73</b>

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

**Note 10: Cash and Cash Equivalents**

S.No.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Cash and Cash Equivalents (Note 9.1)	1,665.94	75.09
2	Bank Balances other than Cash and Cash Equivalents	145.75	135.08
	<b>Total Cash and Cash Equivalents</b>	<b>1,811.69</b>	<b>210.17</b>

**Notes:**

- In the Balance sheet Cash comprises cash and demand deposits.
- Cash equivalents are held for the purpose of short term cash commitments rather than for investment or other purpose

**Note 10.1: Cash and Cash Equivalents**

<b>Bank and Cash Balances</b>			
1	On Current Accounts	1,610.60	20.95
2	Fixed Deposits with maturity less than 3 months	-	-
3	Cheques/dafts on hand	-	-
4	Cash on hand	55.33	54.15
	<b>Total Cash and Cash Equivalents</b>	<b>1,665.94</b>	<b>75.09</b>

**Note 11: Other Current Assets****Other Current Assets**

<b>1</b>	<b>Capital Advances:</b>		
	Advances to Capital Goods	-	-
	Unsecured (Considered good)		
<b>2</b>	<b>Advances other than capital advances:</b>		
3	Security Deposits	-	-
4	Advances to Related Parties	178.61	-
	Bank Deposits	-	-
<b>5</b>	<b>Other Advances:</b>		
	Advance Tax	-	60.00
	Advances-others	1.15	24.24
	GST ITC	288.58	80.57
	TDS Receivable	2.45	4.83
	Misc Exp Asset-(Preliminary Expenses)	16.61	16.46
	<b>Total of Other current Assets</b>	<b>487.40</b>	<b>186.10</b>

**Note 12: Non Current Assets Classified as Held for Sale****Non-Curret Assets**

1	Plant, Propety and Equipment	-	-
2	Others	-	-
	<b>Total Non Current Assets Classified as Held for Sale</b>	<b>-</b>	<b>-</b>

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 13: Equity share capital

a. Equity share capital	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
<b>Authorised</b> Equity shares of Rs.10/- each	1,08,10,000	10,81,00,000	1,08,10,000	10,81,00,000
<b>Issued</b> Equity shares of Rs.10/- each	1,08,10,000	10,81,00,000	1,08,10,000	10,81,00,000
<b>Subscribed and Paid-up</b> Equity shares of Rs.10/- each fully paid-up	92,19,008	9,21,90,080	92,19,008	9,21,90,080
<b>Total</b>	<b>92,19,008</b>	<b>9,21,90,080</b>	<b>92,19,008</b>	<b>9,21,90,080</b>

## b. Reconciliation of the number of equity shares outstanding and the amount of share capital

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
<b>Equity Shares</b>				
<b>Issued and Subscribed:</b>				
Shares outstanding at the beginning of the year	92,19,008	9,21,90,080	4,10,000	41,00,000
Add: Issued During the year for cash	-	-	88,09,008	8,80,90,080
Add: Shares issued at ESOP trust	-	-	-	-
Shares outstanding at the end of the year	<b>92,19,008</b>	<b>9,21,90,080</b>	<b>92,19,008</b>	<b>9,21,90,080</b>

## Note 14 : Other equity

A. Capital Reserve:	As at 31st March 2022	As at 31st March 2021
Balance at the beginning of the year	1,108.95	1,108.95
Add: Addition During the Year	-	-
<b>Balance at the end of the year</b>	<b>1,108.95</b>	<b>1,108.95</b>
<b>Securities Premium:</b>		
<b>Balance at the beginning of the year</b>	-	-
Add: Securities Premium on shares issued during the year	-	-
<b>Balance at the end of the year</b>	-	-
<b>Retained earnings</b>		
<b>Balance at the beginning of the year</b>	<b>630.65</b>	<b>431.12</b>
Add: Addition During the Year	660.32	199.53
Less: TDS Written off	-	-
<b>Balance at the end of the year</b>	<b>1,290.97</b>	<b>630.65</b>
<b>Note:</b>		
<b>Other Comprehensive Income</b>		
Actuarial gain or loss on employee defined benefit plan	-	-
Opening	-	-
Add: During the year	-	-
Closing	-	-
<b>Total other Equity</b>	<b>2399.92</b>	<b>1739.60</b>

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 14 : Other equity

B. Other Reserves	As at 31st March 2022	As at 31st March 2021
<b>Debentures Redemption Reserves:</b>		
Balance at the beginning of the year	-	-
Add: Addition during the Year	-	-
<b>Balance at the end of the year</b>	-	-
<b>Capital Redemption Reserves:</b>		
Balance at the beginning of the year	-	-
Add: Addition during the Year	-	-
<b>Balance at the end of the year</b>	-	-
<b>Investment Fluctuation Reserves:</b>		
Balance at the beginning of the year	-	-
Add: Addition during the Year	-	-
<b>Balance at the end of the year</b>	-	-
<b>Total Other Reserves</b>	-	-

## Note 15: Borrowings

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Non-Current:</b>		
1 Bonds	-	-
2 Debentures(Secured)	-	-
3 Term loans:		
i Secured - Loans		
- Term Loans from banks	-	-
- Vehicle Loans from banks	111.72	163.23
ii Vehicle Loans		
- From banks / Institutions	34.23	157.09
iii Deferred payment liabilities	-	-
iv Other Loans		
- Finance lease obligations	-	-
- Preference shares	-	-
v Interest-free sales Tax deferral loan from state Govt.	-	-
4 Unsecured Loans		
i Loans fom Individuals other than Banks	26.24	26.24
<b>Total</b>	<b>172.19</b>	<b>346.56</b>
<b>Current:</b>		
1 Bonds	-	-
2 Debentures(Secured)	-	-
3 Term / Working capital loans:		
i From banks	2,479.17	900.73
ii Working Capital		
iii Deferred payment liabilities	-	-
iv Other Loans	-	-
v -Finance lease obligations	-	-
vi - Preference shares	-	-
vii Interest-free sales Tax deferral loan from state Govt.	-	-
4 Unsecured Loans	-	-
i Loans fom Individuals other than Banks	-	-
<b>Total</b>	<b>2,479.17</b>	<b>900.73</b>

**VINEET LABORATORIES LIMITED**  
Notes annexed to and forming part of the Financial Statements

**Note 16: Trade Payables**

S.No.	Particulars	As at 31st March 2022	As at 31st March 2021
<b>A</b>	<b>Non Current:</b>		
	<b>Trade payables</b>		
	Dues to Micro, Small and Medium Enterprises	-	-
	Others	72.05	70.05
	<b>Total</b>	<b>72.05</b>	<b>70.05</b>
<b>A</b>	<b>Current:</b>		
	<b>Trade payables</b>		
	Dues to Micro, Small and Medium Enterprises	6,009.18	5,598.77
	Others	-	-
	<b>Total</b>	<b>6,009.18</b>	<b>5,598.77</b>

**Note 17: Other Financial Liabilities**

1	<b>Non Current:</b>		
	Invester enducation protection fund	-	-
	<b>4 Others:</b>		
	i Retention money for capital projects	-	-
	ii Payble towards capital expenditure	-	-
	iii Payble towards Services received	-	-
	iv Payble towards other expenses	-	-
	v Interest accrued but no due on borrowings	-	-
	vi Advance From Ramraj on sale of land	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
	<b>Current</b>		
	1 Current Maturities of Long Term Borrowings	-	-
	2 Current Maturities of finance lease obligation	-	-
	3 Invester enducation protection fund	-	-
	<b>4 Others:</b>		
	i Retention money for capital projects	-	-
	ii Payble towards capital expenditure	-	-
	iii Payble towards Services received	-	-
	iv Payble towards other expenses	-	-
	v Interest accrued but no due on borrowings	-	-
	vi Advance From Ramraj on sale of land	-	-
vii Bills Payable	419.01	593.37	
<b>Total</b>	<b>419.01</b>	<b>593.37</b>	



## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 18: Provisions

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Non Current:</b>		
a) Provision for Employee Benefits For Provident Fund	-	-
For gratuity	87.43	84.69
Provision for compensated absences	22.14	19.63
b) Others		
Service Warranties	-	-
Statutory Dues	-	-
Legal Claims	-	-
<b>Total</b>	<b>109.57</b>	<b>104.32</b>
<b>Current:</b>		
a) Provision for Employee Benefits For Provident Fund	-	-
For gratuity	-	-
Provision for compensated absences	-	-
b) Others		
Service Warranties	-	-
Statutory Dues	-	-
Legal Claims	-	-
Income Tax	318.33	124.07
<b>Total</b>	<b>318.33</b>	<b>124.07</b>

## Note 19 : Other current Liabilities

a) Revenue Received in Advance Advances From customers	-	15.03
<b>b) Other Payables</b>		
<b>(i) Statutory Dues Payable:</b>		
Provident fund payable	8.89	-
ESI contribution payable	-	-
Interest Payable on statutory dues	-	-
Duties and Taxes payable	130.31	-
TDS Payable	80.87	0.19
Others	-	-
<b>(ii) Other Than Statutory Payables:</b>		
Salaries and Wages payable	33.34	-
Employee Benefit Expenses Payable	-	-
Marketing Salaries - Field Staff Payable	-	-
Directors Remuneration Payable	5.05	3.20
Outstanding Liability for Expenses	-	228.01
Electricity Charges Payable	23.22	-
Other Sundry Creditors	-	-
Professional Charges Payable	-	-
Deposits	-	-
Other Expenses payable	0.18	-
Audit fee payable	0.80	1.62
Advance From Ramraj on sale of land	-	-
<b>Total</b>	<b>282.65</b>	<b>248.05</b>

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 20: Revenue from operations

(Amount in Lakhs)

Particulars	For the year ended March 2022	For the year ended March 2021
<b>A. Revenue from contracts with customers disaggregated based on nature of product or services</b>		
Revenue from Sale of Products		
a) Sale of Manufactured Goods		
(i) Domestic	19,031.37	24,239.93
(ii) Exports	0.58	87.30
b) Stock in Trade	-	-
<b>Net Revenue</b>	<b>19,031.95</b>	<b>24,327.23</b>
Revenue from Sale Service		
a) Services	-	-
b) Other Services	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Other Operating Revenues</b>		
a) Export Incentives	-	-
b) Royalty Received		
c) Scrap Sale	17.00	-
d) Job work Receipts	63.56	20.66
e) Others	4.72	-
<b>Sub total</b>	<b>85.28</b>	<b>20.66</b>
<b>Total Revenue from Operations</b>	<b>19,117.23</b>	<b>24,347.89</b>
<b>B. Disaggregated revenue information</b>		
Revenue from contracts with customers disaggregated based on geography		
a) Domestic	-	-
b) Export	-	-
<b>C. Reconciliation of Gross Revenue from Contracts With Customers</b>		
Gross Revenue	-	-
Less: Discount	-	-
Less: Returns	-	-
Less: Price Concession	-	-
Less: Incentives and performance bonus	-	-
Less: Goods and Service Tax	-	-
Net Revenue recognised from Contracts with Customers	-	-

The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 21: Other Income

Particulars	For the year ended March 2022	For the year ended March 2021
<b>Interest income</b>		
a) Financial assets mandatorily measured at fair value through profit or loss	-	
b) Interest income on financial assets fair valued through other comprehensive income - Non Convertible debentures	-	
c) Financial assets carried at amortised cost	-	
Tax free bonds and government bonds	-	
Deposits with banks and others	-	
d) Other Interest	16.24	4.62
<b>Sub total ( i )</b>	<b>16.24</b>	<b>4.62</b>
Dividend Income		
a) Investments mandatorily measured at fair value through profit or loss	-	-
b) Equity investment designated at fair value through other comprehensive income	-	-
<b>Sub total (ii)</b>	<b>-</b>	<b>-</b>
Unwinding of discount on security deposits(iii)	-	-
Government grants (iv)	-	-
Profit on Foreign Exchange Fluctuation (v)	9.15	27.44
Discount Received (vi)	-	1.12
Other income (vii)	3.13	5.41
<b>Total (i+ii+iii+iv+v+vi+vii)</b>	<b>28.51</b>	<b>38.60</b>

## Note 22: Net gain on de-recognition of financial assets at amortised cost

Particulars	For the year ended March 2022	For the year ended March 2021
Profit on sale of land and buildings	-	-
Written off of liability	-	-
<b>Total Gain</b>	<b>-</b>	<b>-</b>

## Note 23: Cost of Material Consumed

Particulars	For the period ended March 2022	For the year ended March 2021
<b>A. Raw Material Consumed</b>		
Raw materials at the beginning of the year	2,586.88	2,920.68
Add: Purchases During the year	14,903.36	18,941.73
Less: Raw materials at the end of the year	2,387.04	2,586.88
<b>Total cost of raw material consumed</b>	<b>15,103.20</b>	<b>19,275.52</b>
(No Write down value of inventories and written down value of material due to obsolescence these amount included in the cost material consumed during the current reporting period)		
<b>B. Packing Material</b>		
Packing materials at the beginning of the year	-	-
Add : Purchases During the year	36.68	-
Less: Packing materials at the end of the year	-	-
Total cost of packing materials consumed (B)	36.68	-
Total cost of Materials consumed (A+B)	<b>15,139.89</b>	<b>19,275.52</b>

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 24.Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 2022	For the year ended March 2021
<b>Opening Balance</b>		
Finished Goods		
Work in Progress	1,381.69	1,917.48
Stock in Trade (Including Goods in Transit)	-	-
Spares and Consumables	-	-
<b>Total Opening Balances</b>	<b>1,381.69</b>	<b>1,917.48</b>
<b>Closing Balance</b>		
Finished Goods	-	-
Work in Progress	1,966.94	1,381.69
Stock in Trade (Including Goods in Transit)	-	-
Spares and Consumables	-	-
<b>Total Closing Balance</b>	<b>1,966.94</b>	<b>1,381.69</b>
<b>Total Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>(585.25)</b>	<b>535.79</b>

## Note 25: Employee Benefits

Particulars	For the year ended March 2022	For the year ended March 2021
Salaries, Wages, Bonus etc.	443.33	456.56
Contribution to P.F, E.S.I and Other Statutory Funds	16.68	33.65
Employee share based payment expenses	-	-
Gratuity	2.74	-
Leave compensation	2.51	-
Post-employment pension benefits	-	-
Post-employment medical benefits	-	-
Staff welfare expenses	25.67	66.84
<b>Total Employee benefits</b>	<b>490.94</b>	<b>557.06</b>

## Note 26: Finance Cost

Particulars	For the year ended March 2022	For the year ended March 2021
<b>Interest and finance charges on financial liabilities carried at amortised cost</b>		
a) Interest on Term Loans, Equipment Loans and Vehicle Loans	22.37	203.45
b) Interest on working capital loan and cash credits	126.52	-
c) Other Interest Expenses (Bank Charges)	52.70	2.09
d) Other Borrowing Cost	6.98	61.11
Less: Amount Capitalised	-	-
Total Interest on financial liabilities carried at amortised cost	208.57	266.65
Interest on Trade payables (as per MSME Act)	-	-
Interest on delayed payment of statutory dues	8.27	-
Unwinding of discount on provision	-	-
Exchange difference regarded as adjustment to borrowing costs	-	-
Dividend on redeemable preference shares (including dividend distribution tax)	-	-
<b>Total Finance Cost</b>	<b>216.84</b>	<b>266.65</b>

## VINEET LABORATORIES LIMITED

## Notes annexed to and forming part of the Financial Statements

## Note 27: Depreciation and Amortisation Expenses

Particulars	For the year ended March 2022	For the year ended March 2021
Depreciation on plant, property and equipment	201.57	180.67
Depreciation on Investment properties	-	-
Amortisation on Intangible assets	-	-
<b>Total depreciation and Amortisation expenses</b>	<b>201.57</b>	<b>180.67</b>

## Note 28: Other expenses

Particulars	For the year ended March 2022	For the year ended March 2021
Computer Maintenance	-	-
Repairs and Maintenance	420.23	191.20
Consumption of Stores	19.99	396.78
Freight & Transportation	134.89	20.60
Labour Wages	461.54	460.49
Security Charges	26.07	27.60
Jobwork charges	792.00	1,071.58
Printing & stationery	9.48	10.34
Commission and brokerage	6.50	0.20
Power & Fuel	474.29	702.64
Rent- Office & Godown	4.58	3.44
Travelling & Conveyance Expenses	8.10	4.85
Audit fees	4.33	1.50
Telephone & Communication Expenses	3.72	2.92
Insurance	28.00	16.71
Legal & Professional charges	61.45	20.30
Sales & Business Promotion	7.50	3.30
Rates and taxes	120.92	72.28
Misc Expenses	75.88	99.98
Director Remuneration	80.09	58.00
ROC Charges	-	0.23
Subscriptions & Renewables	4.65	-
Director sitting fees	3.00	-
<b>Total</b>	<b>2,747.22</b>	<b>3,164.96</b>

## Note 28.1. Payment to Auditors

Particulars	For the year ended March 2022	For the year ended March 2021
As An Auditor		
- Audit Fees	2.00	-
- Tax Audit	0.50	-
- Limited Review	0.50	-
In Other Capacity		
- Taxation Matters	1.33	-
- Company Law matters	-	-
- Certification matters	-	-
- Reimbursement of Expenses	-	-
<b>Total Payment to Auditor</b>	<b>4.33</b>	<b>-</b>

**VINEET LABORATORIES LIMITED**  
Notes annexed to and forming part of the Financial Statements

**Note 29: Corporate Social Responsibility( CSR) Not Applicable to this period**

Particulars	For the year ended March 2022	For the year ended March 2021
Amount required to be spent as per Section 135 of the Companies Act, 2013	-	-
Amount spent during the year on:	-	-

**30. Related Party Disclosures (Ind AS 24):**

Related Party disclosures required as per Accounting Standard (Ind AS-24) on "Related Party disclosures" issued by the Institute of Chartered Accountants of India, are as below:

**a. Names of related parties and the Description of Relationship:**

S. No	Name	Relationship
(i)	<b>Subsidiary companies</b>	Nil
(ii)	<b>Key Managerial Personnel (KMP's)</b> Gaddam Venkata Ramana Satyanarayana Raju Bhupathiraju Kandula Murali Mohan Thotakura Uma Sangeetha Dilip Vishnu Acharekar Bhaskara Reddy Karna Chetna	Managing Director Whole time Director & CFO Director Director Director Director Company Secretary
(iii)	<b>Firms/Companies under same Management</b> Wohler Laboratories Private Limited Vineet Chem Trade Private Limited Vineet Life Sciences Private Limited	Companies Under the Same Management

**b. Related Party Transactions:****(Amount in Rs.)**

<b>1. Firms under Same management:</b>			
i. Wohler Laboratories Private Limited - Associate Company		<b>As on 31st March 2022</b>	<b>As on 31st March 2021</b>
Op. Balance Receivable/(Payable)		2,00,85,797	2,01,63,255
Sales		-	11,11,35,430
Purchases		-	-
Advances given		12,34,248	-
Advances taken		8,50,000	-
Cl. Balance Receivable/(Payable)		2,04,70,045	2,00,85,797
ii. Vineet Chem Trade Private Limited - Associate Company			
Op. Balance Receivable/(Payable)		(78,47,814)	(1,29,37,593)
Sales		50,21,01,170	-
Purchases		13,14,25,904	8,24,166
Advances given		1,08,82,974	74,23,661
Advances taken		17,93,37,201	15,09,716
Adj. of Debits vs Credits		(26,00,000)	-
Cl. Balance Receivable/(Payable)		19,69,73,225	(78,47,814)

**VINEET LABORATORIES LIMITED**  
**Notes annexed to and forming part of the Financial Statements**

iii.	Vineet Life Sciences Private Limited -Associate Company	<b>As on 31st March 2022</b>	<b>As on 31st March 2021</b>
	Op. Balance Receivable/(Payable)	(11,52,81,710)	-
	Sales	24,11,06,273	13,24,95,596
	Purchases	48,95,87,662	43,68,68,277
	Advances given	2,03,27,958	-
	Advances taken	3,50,50,000	-
	Adj. of debits vs. credits	49,07,147	-
	Cl. Balance Receivable / (Payable)	(69,40,811)	(11,52,81,710)
<b>2.</b>	<b>Key Managerial Personnel (KMP's)</b>		
i.	Gaddam Venkata Ramana, Managing Director		
	Directors Remuneration	33,00,000	33,00,000
	Amount paid for expenses	-	-
	<b>Loans &amp; Advances</b>	-	-
	Opening Balance Receivable/Payable	-	-
	Advance given	-	-
	Advance Taken	-	-
	Cl. Balance receivable / (payable)	-	-
	<b>Equity investment</b>	-	-
	Opening Investment in Equity	-	-
	Acquisition during the year	-	-
	Disposal during the year	-	-
	Cl. Balance	-	-
ii.	Satyanarayana Raju Bhupathiraju, Whole time Director (CFO)	<b>As on 31st March 2022</b>	<b>As on 31st March 2021</b>
	Directors Remuneration	27,00,000	27,00,000
	Amount paid for expenses	-	-
	<b>Loans &amp; Advances:</b>	-	-
	Opening Balance Receivable/Payable	-	-
	Advance given	-	-
	Advance Taken	-	-
	Cl. Balance receivable / (payable)	-	-
	<b>Equity investment:</b>	-	-
	Opening Investment in Equity	-	-
	Acquisition during the year	-	-
	Disposal during the year	-	-
	Cl. Balance	-	-
iii.	Kandula Murali Mohan, Director	<b>As on 31st March 2022</b>	<b>As on 31st March 2021</b>
	Directors Remuneration	24,00,000	24,00,000
	Amount paid for expenses	-	-
	<b>Loans &amp; Advances:</b>	-	-
	Opening Balance - Receivable/Payable	-	-
	Advance given	-	-
	Advance Taken	-	-
	Cl. Balance receivable / (payable)	-	-
	<b>Equity investment:</b>	-	-
	Opening Investment in Equity	-	-
	Acquisition during the year	-	-
	Disposal during the year	-	-
	Cl. Balance	-	-

**VINEET LABORATORIES LIMITED**  
**Notes annexed to and forming part of the Financial Statements**

iv. Dilip Vishnu Acharekar, Director	As on 31st March 2022	As on 31st March 2021
Sitting fees	1,00,000	54,000
Amount paid for expenses	-	-
<b>Loans &amp; Advances:</b>		
Opening Balance Receivable/Payable	-	-
Advance given	-	-
Advance Taken	-	-
Cl. Balance receivable / (payable)	-	-
<b>Equity investment:</b>	-	-
Opening Investment in Equity	-	-
Acquisition during the year	-	-
Disposal during the year	-	-
Cl. Balance	-	-
v. Bhaskara Reddy Karna, Director	As on 31st March 2022	As on 31st March 2021
Sitting fees	1,00,000	50,000
Amount paid for expenses	-	-
<b>Loans &amp; Advances:</b>	-	-
Opening Balance Receivable/Payable	-	-
Advance given	-	-
Advance Taken	-	-
Cl. Balance receivable / (payable)	-	-
<b>Equity investment:</b>	-	-
Opening Investment in Equity	-	-
Acquisition during the year	-	-
Disposal during the year	-	-
Cl. Balance	-	-
vi. Uma Sangeeta Thotakura, Director	As on 31st March 2022	As on 31st March 2021
Sitting fees	1,00,000	-
Amount paid for expenses	-	-
<b>Loans &amp; Advances:</b>	-	-
Opening Balance Receivable/Payable	-	-
Advance given	-	-
Advance Taken	-	-
Cl. Balance receivable / (payable)	-	-
<b>Equity investment:</b>	-	-
Opening Investment in Equity	-	-
Acquisition during the year	-	-
Disposal during the year	-	-
Cl. Balance	-	-



**VINEET LABORATORIES LIMITED**  
**Notes annexed to and forming part of the Financial Statements**

vii. Chetna, Company Secretary	<b>As on 31st March 2022</b>	<b>As on 31st March 2021</b>
Salary	1,40,000	60,000
Amount paid for expenses	-	-
<b>Loans &amp; Advances:</b>		
Opening Balance Receivable/Payable	-	-
Advance given	-	-
Advance Taken	-	-
Cl. Balance Receivable / (Payable)	-	-
<b>Equity investment:</b>		
Opening Investment in Equity	-	-
Acquisition during the year	-	-
Disposal during the year	-	-
Cl. Balance	-	-
<b>31. Earnings Per Share (Ind AS 33):</b>		
a. <b>Basic Earnings Per Share</b> for (continued operations) there are no discontinued operations hence, EPS is presented for continued operations only.		
<b>Particulars</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
Nominal Value of Equity Shares (Rupees per Share fully paid-up) (A)	10	10
Profit after Tax (in Rs.) (B)	6,60,31,880	2,00,63,962
No of Shares outstanding at the beginning of the year	92,19,008	4,10,000
Shares Issued During the Year	-	88,09,008
Weighted average number of Equity shares outstanding at the end of year ©	92,19,008	92,19,008
Earnings Per Share (in Rs.) (D = B÷C)-Basic	7.16	2.18
b. <b>Diluted earnings per share</b> (continued operations) there are no discontinued operations hence, EPS is presented for continued operations only.		
<b>Particulars</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
Nominal Value of Equity Shares (Rupees per Share fully paid-up) (A)	10	10
Profit after Tax (in Rs.) (B)	6,60,31,880	2,00,63,962
No of Shares outstanding at the beginning of the year	92,19,008	4,10,000
Shares Issued During the Year	-	88,09,008
Weighted average number of Equity shares outstanding at the end of year (C)	92,19,008	92,19,008
Dilutive Shares (D)	Nil	Nil
Earnings Per Share (in Rs.) - Diluted (E). (E = B÷C)	7.16	2.18

**VINEET LABORATORIES LIMITED**  
**Notes annexed to and forming part of the Financial Statements**

**32. Derivative instruments and un-hedged foreign currency exposure:**

- a. There are no outstanding derivative contracts as at March 31, 2022 and March 31, 2021.
- b. Particulars of Un-hedged foreign currency exposure is: Nil

**33. Secured Loans:****Term Loans:**

From banks and financial institutions, together with interest accrued thereon, are secured by way of Vehicle Loans - primarily secured by the vehicle acquired with the loan sanction and personal guarantee of Director.

**Working capital Loans:**

Secured by way hypothecation on stocks, books debts and floating charge on Movable property not being pledged.

**34. Net Current Assets:**

S. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>A</b>	<b>Current Assets:</b>		
1	Inventories	43,53,98,262	39,68,57,230
2	Trade Receivables	36,19,83,529	42,71,39,531
3	Cash and Cash equivalent	16,65,93,758	75,09,156
4	Bank Balances other than (3) above	1,45,75,294	1,35,07,823
5	Loans	-	-
6	Current Tax Asset (Net)	-	-
7	Other Current Asset	4,87,40,087	1,86,09,758
	<b>Total Current Assets</b>	<b>102,72,90,930</b>	<b>86,36,23,498</b>
<b>B</b>	<b>Current Liabilities:</b>		
1	Borrowings	24,79,17,072	9,00,72,651
2	Trade Payables	60,09,18,436	55,98,76,797
3	Other Current Liabilities	10,19,98,765	9,65,49,400
	<b>Total Current liabilities</b>	<b>95,08,34,273</b>	<b>74,64,98,848</b>
<b>C</b>	<b>Current Assets-Current Liabilities</b>	<b>7,64,56,657</b>	<b>11,71,24,650</b>

**35. Revenue from Operations:**

S. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>1</b>	<b>Sale of goods:</b>		
	Sale of Manufactured Products	1,90,31,94,814	2,43,27,23,184
	Stock in trade	-	-
	<b>Total</b>	<b>1,90,31,94,814</b>	<b>2,43,27,23,184</b>
2	Revenue from Sale of Service	63,55,982	20,66,022
3	Other Operating Revenues	21,72,277	-
<b>4</b>	<b>Total Revenue from Operations</b>	<b>1,91,17,23,073</b>	<b>2,43,47,89,206</b>

## VINEET LABORATORIES LIMITED

Notes annexed to and forming part of the Financial Statements

(In Rupees)

## 36. Revenue Reconciliation:

S. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>1</b>	<b>Sale of Products</b>		
	Domestic	222,42,05,984	287,49,50,850
	Exports	57,607	87,29,900
	<b>Gross Revenue</b>	<b>222,42,63,591</b>	<b>288,36,80,750</b>
	Less: Discount	-	-
	Less: Returns	-	-
	Less: price Concession	-	-
	Less: Goods and service Tax	31,25,40,518	44,88,91,544
	<b>Net Revenues recognized from contracts with customers</b>	<b>1,91,17,23,073</b>	<b>2,43,47,89,206</b>

## 37. Other Income:

S. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Interest on Deposits with Banks and others.	16,23,520	4,62,484
2	Other Incomes: Profit on sale of shares	-	-
3	Net Gain on Foreign Exchange Fluctuations	9,15,120	27,43,805
4	Discount Received	-	1,12,467
5	Other Incomes	3,12,720	5,40,886
	<b>TOTAL</b>	<b>28,51,360</b>	<b>38,59,642</b>

## 38. Details of Loans given, Investments made and Guarantee given covered Under Section 186(4) of the Companies Act, 2013.

- a. The company has not extended any Corporate Guarantees in respect of loans availed by any company/firm during the reporting period.
- b. The company has made the following investments during the reporting period as follows:

S. No.	Particulars	As on 31.03.2021 (Rs.)	Increase/ (Decrease) During the Year	As on 31.03.2022 (Rs.)
<b>I.</b>	<b>Investment in Mutual funds</b>			
1	Investment in Quoted Mutual Funds	11,80,033	1,76,998*	13,57,031
	<b>TOTAL</b>	<b>11,80,033</b>	<b>1,76,998</b>	<b>13,57,031</b>

\*Increase due to valuation at market value.

## 39. Contingent Liabilities not provided for and commitments:

Nature of Contingent Liability	As at 31st March 2022	As at 31st March 2021
i. Unexpired guarantees issued on behalf of the company by Banks for which the Company has provided counter guarantee	NIL	NIL
ii. Bills discounted with banks which have not matured	Nil	Nil

**VINEET LABORATORIES LIMITED**  
**Notes annexed to and forming part of the Financial Statements**

iii.	Corporate Guarantees issued by Company on behalf of others to Commercial Banks & Financial Institutions	Nil	Nil
iv.	Collateral Securities offered to Banks for the limit Sanctioned to others	Nil	Nil
v.	Legal Undertakings given to Customs Authorities for clearing the imports	Nil	Nil
vi.	Claims against the company not acknowledged as debts		
	a. Excise	Nil	Nil
	b. Sales Tax	Nil	Nil
	c. Service Tax	Nil	Nil
	d. Income Tax	Nil	Nil
	e. Civil Proceedings	Nil	Nil
	f. Company Law Matters	Un-ascertainable	Un-ascertainable
	g. Criminal Proceedings	Un-ascertainable	Un-ascertainable
	h. Others	Nil	Nil
vii.	Estimated amounts of contracts remaining to be executed on Capital Account and not provided for	Nil	Nil

**40. Auditors' Remuneration:**

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory Audit*	3,00,000	1,50,000

\* Exclusive of GST

**41. Dues to Micro Small and Medium Enterprises:**

Disclosure required as per section 22 of the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act.) as at 31.03.2022.

S. No.	Particulars	As at 31st March 2022
1	Principal amount due to suppliers under MSMED	Nil
2	Interest accrued and due to suppliers covered under MSMED on the above amount, unpaid	Nil
3	Payment made to suppliers (with Interest) beyond the appointed day during the year.	Nil
4	Payment made to suppliers (other than interest) beyond the appointed day during the previous year	Nil
5	Interest paid to suppliers covered under MSMED	Nil
6	Interest due & Payable to suppliers covered under MSMED Act., towards payments already made.	Nil

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with company.

**42. Financial Risk Management**

In course of its business, the company is exposed to certain financial risk such as market risk (Including currency risk and other price risks), credit risk and liquidity risk that could have significant influence on the company's business and operational/financial performance. The Board of directors reviews and approves risk management framework and policies for managing these risks and monitor suitable mitigating actions taken by the management to minimize potential adverse effects and achieve greater predictability to earnings.

**VINEET LABORATORIES LIMITED**  
**Notes annexed to and forming part of the Financial Statements**

**43. Credit Risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, a means of mitigating the risk of financial loss from defaults.

The company makes an allowance for doubtful debts/advances using expected credit loss model.

**44. Liquidity risk**

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company's exposure to liquidity risk is minimal as the promoters of the company is infusing the funds based on the requirements. However, the receivables have moved to non-current assets and company is having liquidity issues due to negative working capital as shown in note no.33.

**45.** Financial figures have been rounded off to nearest rupee and regrouped wherever is necessary.

**46.** Notes 3 to 45 forms part of Balance Sheet and have been authenticated.

As per our report of even date

**For M M REDDY & CO.,**  
Chartered Accountants  
Firm Reg. No. 010371S

For and on behalf of the Board  
**VINEET LABORATORIES LIMITED**

**M Madhusudhana Reddy**  
Partner  
Membership No. 213077  
UDIN: 22213077AJUUF01272

**G. Venkata Ramana**  
Managing Director  
DIN: 00031873

**B. Satyanarayana Raju**  
Whole time Director & CFO  
DIN: 02697880

Place: Hyderabad  
Date: 28.05.2022

**Nirosha Ravikanti**  
Company Secretary  
PAN: APUPC9350G

**VINEET LABORATORIES LIMITED**

**CIN: L24304TG2016PLC112888**

Registered Office: SY.No.11/A3, Saheb Nagar, Kurdu Vill,  
Chintal Kunta, Eshwaramma Nilayam, L B Nagar, Hyderabad - 500074 Telangana

**Form No. MGT-11**

**Proxy Form**

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

Name of the Member(s):	
Registered Address	
Email ID:	
Folio No/ Client ID:	
DP ID:	

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

- Name: ----- Address: -----  
E-mail Id: ----- Signature: ----- or failing him;
- Name: ----- Address: -----  
E-mail Id: ----- Signature: ----- or failing him;
- Name: ----- Address: -----  
E-mail Id: ----- Signature: -----

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 6th Annual General Meeting of the Company, to be held on Wednesday, the 28th September 2022 at 11.00 a.m. at Minerva Coffee Shop, 3rd Floor, Beside Sanjeevini Hospital, Kiran Nagar, Doctors' Colony, Kothapet, Hyderabad, Telangana 500035 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolution	Vote*	
		In Favour	Against
<b>Ordinary Business</b>			
1.	To consider and adopt the Audited Financial Statements for the financial year ended March 31, 2022		
2.	To declare a dividend on the equity shares for the financial year ended March 31, 2022		
3.	To appoint Mr. Satyanarayana Raju Bhupathiraju (DIN:02697880), who retires by rotation as a director		
4.	To appoint Statutory Auditors of the Company and fix their remuneration		
<b>Special Business</b>			
5.	To set out the Borrowing Limits of the Company		
6.	To create Charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings		
7.	To ratify the remuneration of Cost Auditors for the financial year 2022-23.		

Resolution No	Resolution	Vote*	
		In Favour	Against
<b>Special Business</b>			
8.	To approve existing as well as new material related party transactions with Vineet Life Sciences Private Limited, Wohler Laboratories Private Limited, Vineet Chem Trade Private Limited		
9.	To fix the amount of fee to be paid by the member / shareholder of the Company for delivery of any document through a particular mode		
10.	To appoint Ms. Hari Priya Yerukalapudi (DIN: 09690829) as an Independent Director of the Company.		
11.	To approve revision in the remuneration of Mr. Gaddam Venkata Ramana (DIN: 00031873), Managing Director of the Company		
12.	To approve revision in the remuneration of Mr. Satyanarayana Raju Bhupathiraju (DIN: 02697880), Whole-Time Director of the Company		
13.	To change the designation of Mr. Kandula Murali Mohan (DIN: 03313407) from Non-Executive Director to Whole Time Director of the Company		
14.	To fix the remuneration of Mr. Kandula Murali Mohan (DIN: 03313407), Whole Time Director		

Signed this ..... day of ..... 2022

\_\_\_\_\_  
Signature of Proxy holder(s)

\_\_\_\_\_  
Signature of Member

Affix Revenue Stamp of Re. 1/- and sign across
--

**Note:**

1. The proxy duly stamped, completed, signed should be deposited at the Registered Office of the Company, not less than 48 (Forty-Eight) hours before commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. The shareholder may vote either for or against each resolution. It is optional to indicate your preference. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

# VINEET LABORATORIES LIMITED

CIN: L24304TG2016PLC112888

**Registered Office:** SY.No. 11/A3, Saheb Nagar, Kurdu Vill, Chintal Kunta, Eshwaramma Nilayam, L B Nagar Hyderabad - 500074 Telangana, India

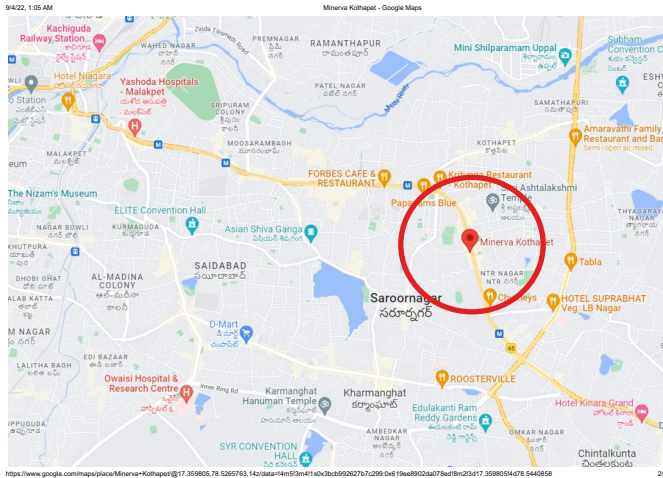
## ATTENDANCE SLIP

**6<sup>th</sup> Annual General Meeting to be held on Wednesday, the 28<sup>th</sup> September 2022 at 11.00 am**

I hereby record my presence at the 6th Annual General Meeting of the Company being held on Wednesday, the 28<sup>th</sup> September 2022 at 11.00 am at Minerva Coffee Shop, 3<sup>rd</sup> Floor, Beside Sanjeevini Hospital, Kiran Nagar, Doctors' Colony, Kothapet, Hyderabad, Telangana 500035.

Name of the Shareholder:
Name of the Proxy:
Registered Folio No. / DP ID No. / Client ID No:
Number of Equity Shares held:
Signature of Shareholder / Proxy:

**Note: Please fill up this attendance slip and hand it over at the entrance of the venue. Members are requested to bring their copies of the Annual Report to the AGM.**





# *BOOK POST*

*If undelivered please return to :*



## **Vineet Laboratories Limited**

**Registered Office**

SY. No. 11/A3, Saheb Nagar, Kurdu Vill, Chintal Kunta,  
Eshwaramma Nilayam, L B Nagar Hyderabad - 500074. Telangana.