



VRL/SEC/EXCHANGE

09.11.2020

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Sub: In compliance of Regulation 34(1) of SEBI (LODR) Regulation, 2015- Annual Report-2019-2020 long with Notice of 31st Annual General Meeting

Dear Sir/Madam,

In compliance of Regulation 34(1) of SEBI (LODR) Regulation, 2015 a copy of Annual Report for financial year 2019-2020 along with Notice of 31st Annual General Meeting enclosed herewith.

Kindly take it on your record.

Thanking you.

**Yours faithfully,
for VENUS REMEDIES LIMITED**


Authorised Signatory

VENUS REMEDIES LIMITED

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HOLD THE VISION TRUST THE PROCESS



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Corporate Information



At Venus, our success was not derived only from strategic clarity, but also from consistent process discipline.

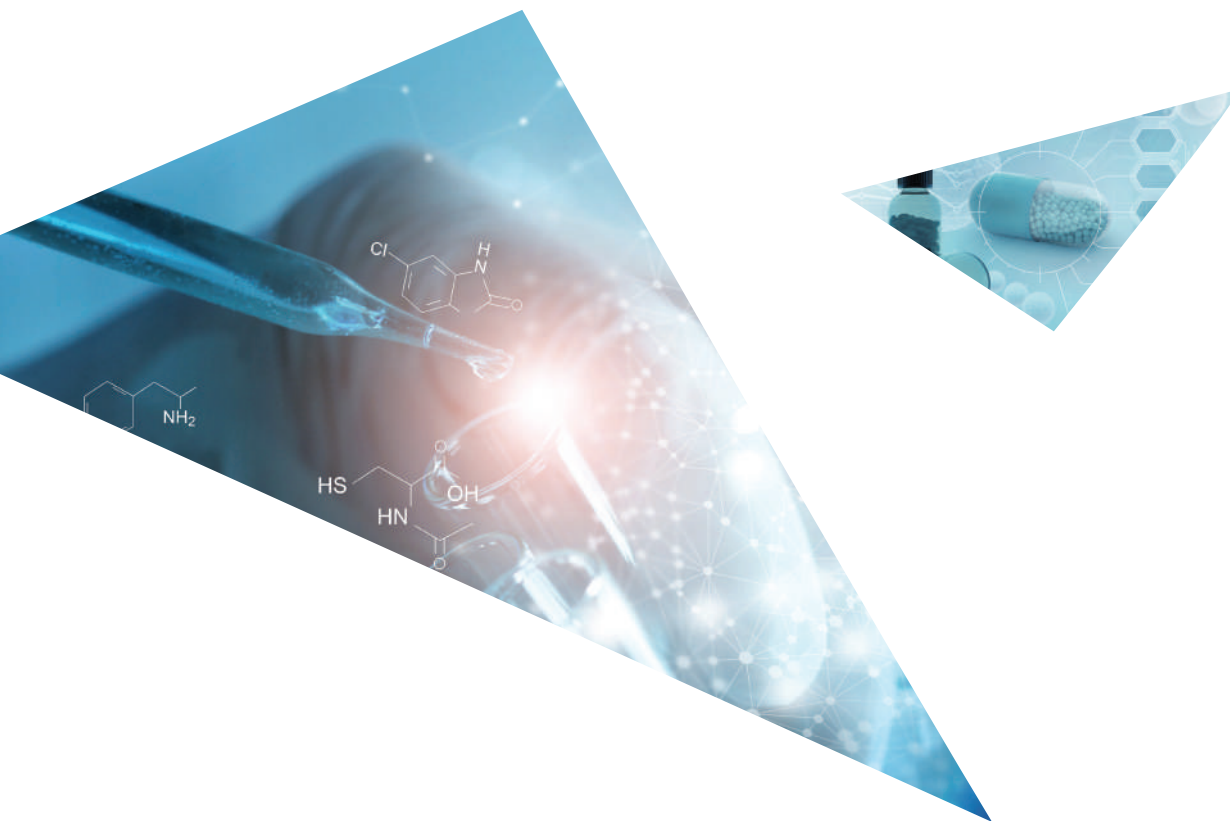
At Venus, our success was not achieved by doing few things better. It stemmed from a passion for raising the organisational benchmark.



**THE
RESULTS
WERE
HEART-
WARMING,
TO SAY THE
LEAST.**




WE UPPED OUR PERFORMANCE.

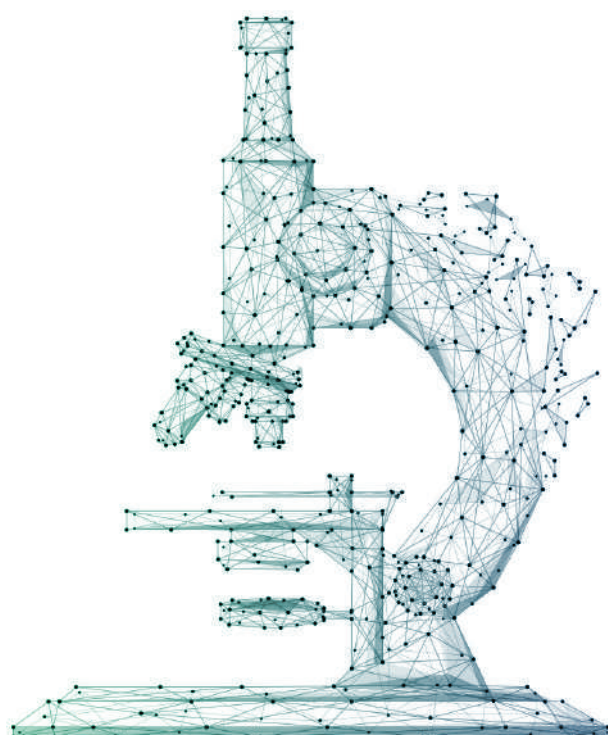




**EBITDA ROSE
FROM ₹41.75
CRORE IN
2018-19 TO
₹46.65 CRORE
IN 2019-20**



**WE HAD GOOD
ASSETS. BUT THEY
WERE OFF THE
MARK. WE TWEAKED
THEM A LITTLE.**



~15%
Increase in production of Meropenem injectables

65%-plus
Increase in production of drugs in the anti-coagulant space

42%-plus
Increase in production of drugs in the anti-cancer segment

On paper, it was a perfect combination – plant, people and processes. But our in-plant performance was wanting. And that impacted our pricing and hence our market acceptability. We resolved to up the performance bar.


Most would have thought that we would make some earth-shattering changes. We did nothing of that kind. We held on to our conviction. We trusted our processes. We only tweaked them to make them better.

We increased the batch size of high-volume products. We tweaked the chemistry to make the process simpler and more effective. We deployed low-cost automation solutions. We worked on line balancing. We invested in equipment which enhanced product quality and reduced in-plant rejections. We added equipment to improve the working environment. We identified and implemented initiatives for optimising energy and utility consumption.

In a nutshell, we worked on a multitude of small aspects. When summed up, they made a difference... a substantial one at that.

Our production volumes surged. Our cost structures optimised. Our product pricing got aligned to market realities.

GAME ON!

A close-up photograph of a scientist wearing a white lab coat and a white surgical mask. The scientist is holding a test tube with a blue liquid inside. The background is a blurred laboratory setting. In the top right corner, there is a decorative graphic consisting of green dots connected by thin lines, resembling a molecular structure or a network diagram.

**WE HAD GREAT
PRODUCTS. BUT
THAT CONTINUED TO
LANGUISH. WE PUSHED
THAT MUCH HARDER.**



We are excited because besides the returns from the product, we earned respect in the domestic market. The latter, we believe, would last longer and help us engage in many more partnerships like the one with Cipla.

We had ten innovative products developed in-house that addressed high-priority health issues. The world had endorsed most of them. But, our cash box did not ring, rather it ran dry. Something was definitely amiss!

Dropping the innovation assets in favour of generics was a no-brainer. But we stuck to our vision. Because, we trusted the potential of our product, we

believed in our research.

This time we pushed a little harder. We created a dedicated marketing team for our flagship product Elores. They engaged with the medical fraternity – doctors, key opinion leaders, institutions, enterprises – on a knowledge platform. They created awareness. And, we got our marketing ally Cipla Limited. We sold the brand

and trademark of our product to them for the domestic market. They would market. We would manufacture.

We are excited because besides returns from the product, we earned respect from the domestic market. The latter, we believe, would last longer and help us engage in many more such partnerships.

GIVE MORE. GET MORE.

A person wearing a white lab coat and a blue surgical mask is holding a clear glass vial with a blue nitrile glove. The vial contains a clear liquid. The background is a blurred laboratory setting. In the top right corner, there is a green geometric graphic consisting of lines and dots.

**WE HAD HEALTHY
RELATIONS. WE ONLY
INFUSED THE 'TRUST'
CATALYST.**



Our products were consistently better. We despatched faster. Our customers got their consignment on time. We gained customer confidence. Our trust catalyst worked wonders.



We have known them for decades. Pretty well, if we may add. They needed what we made. Yet we could not gain their preferred supplier status. Lesser critical issues had slowly become significant.

We could have taken this as a multi-year strategic goal. But, instead, we decided to change. Because, we believe that issues don't get resolved with time. They actually get worse.

We went head on. We resolved quality issues. We delved deeper. We scrutinised more intensely. We improved our labeling and sealing accuracy. We shifted most of our products to our sophisticated automated packaging solution. Our rejections declined. We deployed technology to track our in-transit material. We made sure that our

customer knew the position of his product real time.

Our products were consistently better. We despatched faster. Our customers got their consignment on time. We gained customer confidence. Our trust catalyst worked wonders.

LET IT ROLL!

ABOUT VENUS

A research-driven Indian pharmaceutical company with an expansive global footprint extending over 60 nations.

322.35

Revenue (₹ crore)

3

Manufacturing Facilities

198.80 **123.55**

Exports (₹ crore)

Domestic (₹ crore)

908

Team Size

Our Position

One of the very few Indian companies focused on combating AMR.

Among India's Top-20 pharmaceutical R&D spenders.

Among India's Top-50 pharmaceutical manufacturing companies.

428.28

Capital Employed
(₹ crore)

Shareholder Information

269

Book Value Per Share
(₹)

332.25

Shareholders' Fund
(₹ crore)

27.15

Market Capitalisation
(₹ crore)



Vision

We strive to touch the lives of patients by actively listening and responding to their needs with breakthrough innovative products and medical expertise that is critical in understanding and treatment of diseases.



Mission

We are committed to align the best scientific approaches to develop new solutions for global health challenges. We are actively involved in monetisation of IP wealth and building global brands backed by strong scientific evidences.

Strategic Focus

Forge synergic partnership for AMR products

Build customer reliability

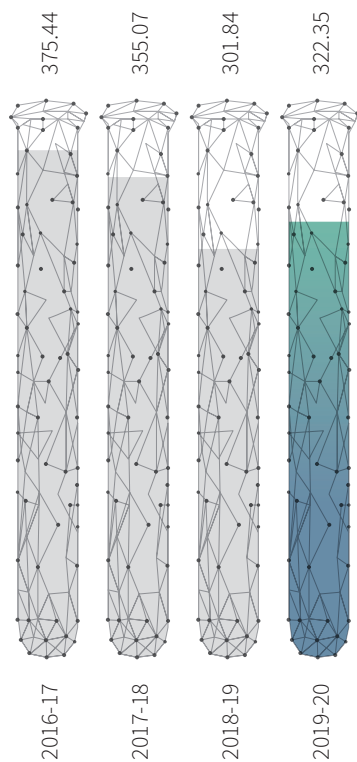
Tighten working capital cycle

Optimise organisational leverage

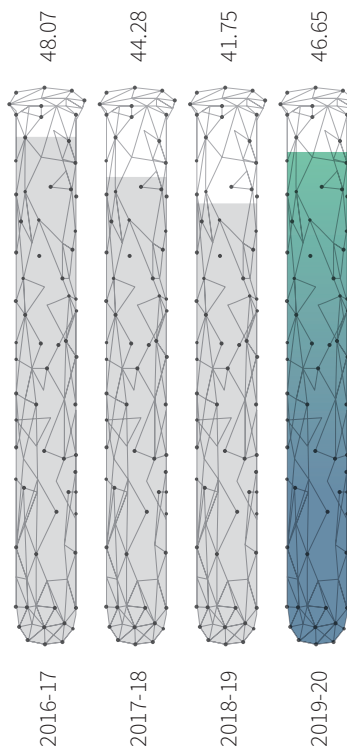
HOLDING STEADY ON OUR VISION HAS YIELDED HEARTENING RESULTS



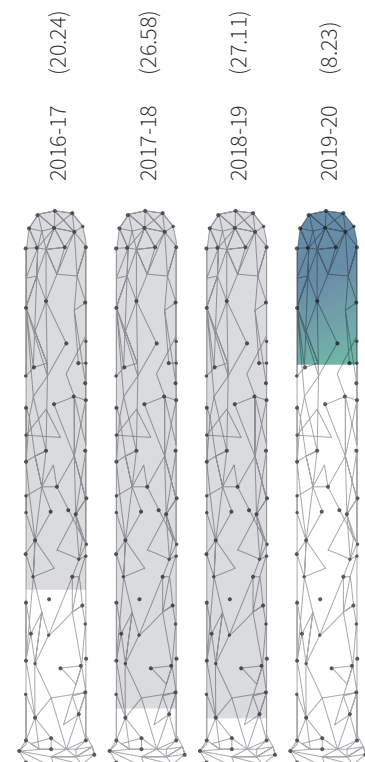
Revenue from Operations
(₹ in crore)



EBITDA
(₹ in crore)



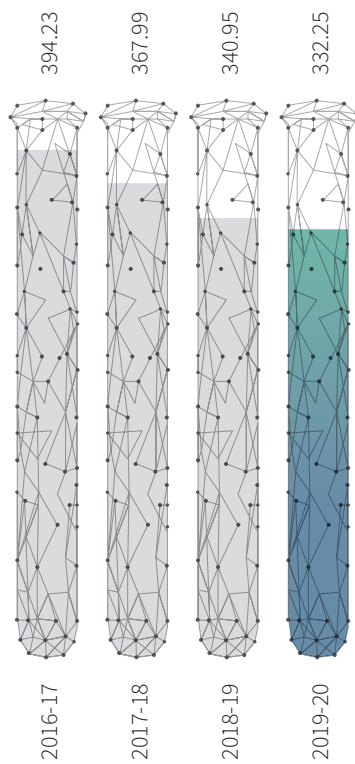
Net Profit/(Loss)
(₹ in crore)





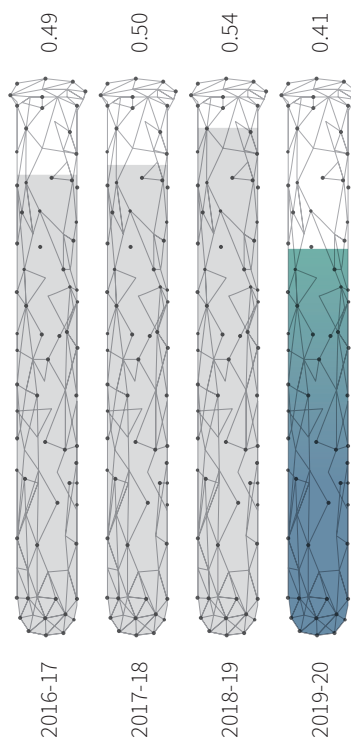
Shareholders' Fund

(₹ in crore)



Debt-Equity Ratio

(x)





From the Chairman's Desk

“WELCOME TO THE NEW VENUS. THIS IS A VENUS THAT IS ALIVE TO ITS REALITY AND AGILE TO CATCH UP WITH OTHERS, FASTER THAN EVER BEFORE.”



Dear friends,

I feel privileged to address you as the Chairman of a New Venus, one that is taking giant strides towards a better and brighter future.

Fiscal 2019-20 was an inflection point in our journey as our recalibrated strategy and painstaking efforts yielded the desired results. We believed in and stayed firm on the course. While the change may appear insignificant in value terms but going against the tide was never going to be easy. I am happy to state that we are back to winning ways.

Fiscal 2019-20 is more important than just a turnaround in our profits. It's about some key achievements that have drawn the spotlight on

the Company once again and held considerable promise to push the business profitability a few notches higher in the coming years.

We monetised our flagship product.

We successfully monetised our flagship product Elores, a patented anti-infective indicated for the treatment of life-threatening infections caused by gram-negative bacteria. We sold the brand and the trademark to Cipla, India's third largest pharmaceutical company to market this product across the country. We are confident that they will be able to take this product to many more patients in India.

The growing product reach will only

enhance our credibility as a respected player in the branded Indian critical care space. Because on every packet, it will be mentioned 'Manufactured at Venus'. This would assist our team in engaging with the healthcare fraternity, especially the doctor community, on a knowledge platform, which would translate into increased recognition for and sales of our other niche products.

We received a global approval.

We received the WHO pre-qualification approval for our generic product Meropenem, positioning us as the first company in the world to be honoured with this accreditation. This is an important milestone for it allows us to market this product in all countries registered with the WHO without

additional regulatory approvals. We will focus on growing the volumes for this product over the coming years and moving closer to our vision of emerging as the global leader for this product.

Welcome to the New Venus.

This is a Venus that is alive to its reality and agile to catch up with others, faster than ever before. To make this transition seamless, the entire team has worked passionately for a meaningful contribution towards uplifting organisational performance.

From a manufacturing perspective, we successfully released capacity through line balancing, low-cost automation solutions and de-bottlenecking initiatives. We crashed our cost structures to ensure that we remain relevant in an increasingly competitive business landscape. We improved our packing rate, reduced our in-plant rejection and ensured that we sustain our quality parameters. We witnessed the change as volumes surged.

From a supply chain standpoint, we leveraged technology to streamline our supply chain glitches. We introduced tools such as carbonisation algorithm, smart AI-based solutions which optimised shipping and warehousing cost, minimised transit time between our facility and that of our customer and maximised loading volumes. We also used devices that allowed real-time tracking of our consignment. These new-age tools ensured that our products were delivered on time. The tangible returns from these initiatives may not be significant as yet, but, I am confident that it is because of these measures that customers will prefer to work with Venus over the coming years.

In the marketplace, we worked relentlessly on identifying and reaching out to prospects and converting opportunities into contracts. In the domestic market, a number of key brands achieved their highest volumes since their launch. In the international market, the Company was able to secure healthy institutional tenders from some lesser-regulated nations.

From an organisational viewpoint, we transformed into a touch-and-tech enterprise. We deployed business intelligence and analytics tools across the organisation. We integrated it with our central data warehouse. We created a dedicated data analytics team to take care of our day-to-day data requirements / customise dashboards that allowed us to bring new insights and trends to the table. This made our decision-making more knowledge driven and more accurate.

These seminal changes will only help us to hold on to our vision and strengthen our trust in our processes (read business approach).

As we step into the current year, we are only going to continue from where we left off in the previous year but with renewed vigour and greater enthusiasm for we have seen the green shoots of resurgence. While we continue to capitalise on opportunities emerging from our WHO approval, we will also work on building volumes for other products namely Imipenem and Enoxaparin from domestic and international clients.

As a leader looking forward to the future, we are abuzz with several opportunities. Each is a leap in itself, but collectively they will propel us into a higher trajectory of growth.

As a team, we will bring in the power of disciplined creativity to find newer ways to grow. And then approach these opportunities with a determination to seize the future one day at a time, one relationship at a time.

I take the occasion to thank the entire team for their unwavering passion and dedication to our clients and our business. I express my sincere gratitude to my fellow Directors for their commitment and professionalism in paving the Company's long-term direction. My thanks to our other stakeholders, who continue to be our partners in growth. I also place on record my deep appreciation to all our loyal and valuable shareholders for their continued confidence and support.

It's your confidence that has brought us this far, and it is this fuel that will accelerate us into a new orbit.

Warm regards

Pawan Chaudhary

Chairman





MANAGEMENT DISCUSSION & ANALYSIS



An Economic Overview

Global Economy

The global economy recorded its lowest growth of the decade in 2019, falling to 2.9% as a result of protracted trade disputes and a slowdown in domestic investment.

Growth was trending down throughout the year in virtually all major economies and slowing in all geographic areas except Africa. This slowdown occurred alongside growing discontent with the social and environmental quality of economic growth amid pervasive inequalities and deepening climate crisis. Amid rising tariffs and rapid shifts in trade policies, business confidence has deteriorated, dampening investment growth across most regions.

Outlook for 2020: This has been a year of nightmare not for businesses alone, but for the entire human race. The Covid-19 pandemic ravaged the world, spelling doom and drawing the civilisation to its knees.

The pandemic continues to inflict high and rising human costs worldwide. Protecting lives and allowing healthcare systems to cope, called for isolations, lockdowns, and widespread closures because the spread of the infection had to be checked.

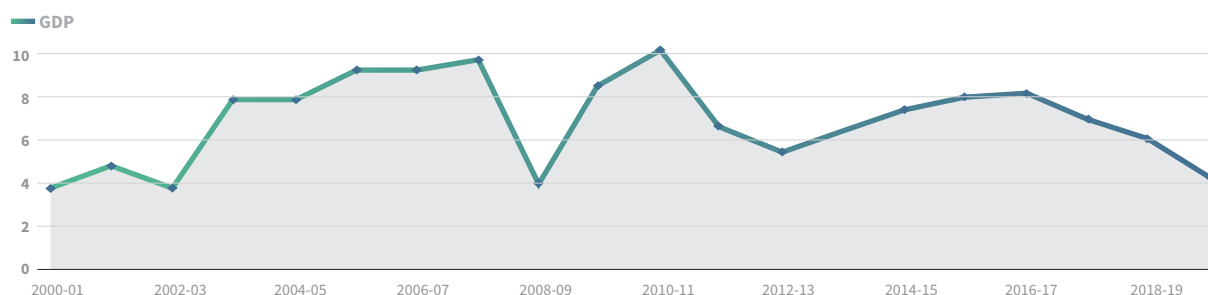
The loss in businesses associated with this health emergency and containment measures possibly dwarfed the toll that the two global financial crises had caused. Moreover, the shock isn't over yet. The pandemic has driven the world into a state of severe uncertainty of unknown duration.

A major positive for the business world

The government moderated the corporate tax rate to 22% from 30%; it announced a new tax rate of 15% for new domestic manufacturing companies. The new effective Corporate Income Tax (CIT) would be 25.17%, inclusive of a new lower surcharge of 10% and cess of 4%. India's CIT is now closer to the global average statutory CIT of 23.03%.

India's GDP Growth Falls to 4.2% in FY20

Annual GDP Growth Falls to the Lowest Since 2000-01 (In %)



As most developed economies strive hard to fight this unprecedented threat with measures like stringent lockdowns, isolations and containments, the wheels of the economy have come to the edge. As a result of the pandemic, the global economy is projected to contract by 3% in 2020.

Indian Economy

The Indian economy has been going through a rough patch for the last two years with 2019-20 being witness to the steepest slump in economic growth. The country's GDP expansion was revised from 7.5% at the beginning of the fiscal 2019-20 to 4.2% at the close of the year as against 6.1% (revised) a year ago.

The slowdown was triggered by a mix of both internal as well as external

factors such as a synchronised global slowdown, historically poor automobile sales and diminishing customer confidence. The situation worsened when most public sector banks were weighed under a huge burden of Non-Performing Assets (NPAs). The NBFC crisis weakened the financial health of the economy further.

On the output front, agri (3.7% growth) and mining sectors seem to have held forts. On the expenditure front, government spending seems to have saved the day. Manufacturing and construction threw up poor growth numbers of 0.03% and 1.3% in 2019-20, marking a steep fall from 5.7% and 6.1% in the year-ago period.

Amid the turmoil, the year showed a little silver lining with India emerging as the fifth-largest world economy in

2019 with a gross domestic product (GDP) of \$2.94 trillion and improving its position by 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking. India was also among the top 10 recipients of Foreign Direct Investment (FDI) in 2019, attracting \$49 billion in inflows, a 16% increase over the previous year.

The wobbly economy was left teetering by the outbreak of the Covid-19 pandemic in early 2020. India enforced one of the longest and the strictest lockdowns in the world to contain the spread of the disease. It triggered severe demand-supply shocks and nixed the economy's incipient recovery with further job losses across sectors. India's economy is expected to contract in 2020-21, a first in a couple of decades; the extent of contraction is estimated at 3-10%.



The Pharmaceutical Sector

Global Sector

Global Medicine Use: Medicine consumption is closely tied to the country income, though there is significant variation across economies with similar incomes. Given that the rate of increase in medicine use is currently outpacing the population and economic growth, this indicates more patients are receiving treatment. This expansion has largely occurred in pharmerging markets, defined as countries with per capita income below \$30,000 per year and pharmaceutical spending growth above \$1 billion over five years.

The use of medicine increased in the past ten years in areas of high priority, including the treatment of non-communicable diseases. However, the pace of growth in medicine use slowed down in the past five years across markets, in part due to decline or stagnation in economic growth compared to 2009–2014, and a change in the spending pattern.

DDD (daily defined dose) consumption reached 1.8 trillion in 2019, a 16% increase over 2014, corresponding to a 3% compound annual growth rate (CAGR). Pharmerging markets saw the greatest CAGR of 4.4%, and accounted for 49% of DDD consumption. DDD use in the top ten developed markets accounted for 34% of total DDD and recorded 2.1% CAGR over the past five years.

Global Medicine Spending: As seen with medicine use, global medicine spending is expected to grow more slowly, but projected to exceed \$1.1 trillion in the next five years. The rise in spending is partly due to increased use, but is also driven by changes in the specialty and innovative product composition of new brands reaching the market. Other factors, such as pricing pressures and brand losses of exclusivity offset rises in spending. With these dynamics, spending growth is projected to slow in the next five years.

Global spending has steadily increased from 2009–2019 averaging an annual rate of 4.2% to \$955 billion. This reflects a 23%

jump from \$777 billion between 2014 and 2019.

Pharmerging markets have seen the greatest growth, with a 12.2% CAGR from 2009 to 2014 and 7.7% CAGR from 2014 to 2019. In 2019, pharmerging markets comprised 26% of spending, which is expected to rise to 28–30% in 2024. However, global growth is expected to moderate to 2–5% through 2024, as both developed and pharmerging markets exhibit comparable dynamics.

Adoption of specialty medicines are driving spending increases and these products now account for 36% of spending globally. Specialty spending is projected to account for 40% of global spending in 2024. In developed markets, 44% of spending is on specialty products and is expected to reach 52% in 2024. In pharmerging markets, specialty medicines only account for 14% of spending and are expected to account for only 15% of spending in 2024.

Demand Drivers for Indian Pharma Market

Accessibility

- Over \$200 billion to be spent on medical infrastructure in the next 10 years.
- Over 160,000 hospital beds expected to be added each year in the next 10 years.
- India's generic drugs account for 20% of global exports by volume, making it the largest provider of generic medicines.

Acceptability

- Rising level of education to increase the acceptability of pharmaceuticals.
- Patients showing greater propensity to self-medicate, boosting the OTC market.
- Acceptance of biologics and preventive medicine to rise.
- Surge in medical tourism due to increased patient inflow.

Affordability

- Rising income could drive 73 million households to the middle class over the next 10 years.
- Over 650 million people expected to be covered by health insurance by 2020.
- The government plans to provide free generic medicines to half of the population at an estimated cost of \$5.4 billion.
- Affordable medicines under the Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) have led to savings of ₹1,000 crore (\$143.08 million) for Indian citizens in 2018-19.

Epidemiological Factors

- Patient pool expected to increase over 20% in the next 10 years, mainly due to rise in population.
- New diseases and lifestyle changes to boost demand.
- Increasing prevalence of lifestyle diseases.

Indian Sector

Rightly called the 'Pharmacy of the World' the Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand from the US and 25% of all medicines in the UK.

India has truly emerged as a world leader in generics – both in global as well as in domestic markets – contributing significantly to the rising demand in terms of volume. The Made-in-India drugs supplied to the developed economies like the US, EU and Japan are known for their safety and quality.

India accounts for 20% of global exports in generics. India's pharmaceutical exports stood at \$13.69 billion in 2019-20 (up to January 2020). The exports are expected to reach \$22 billion by 2020.

The Indian pharma industry has scaled an annual revenue of \$40 billion and aspires to reach \$120-130 billion by 2030 at a CAGR of 11-12%.

Government Support to the Pharmaceutical Industry

The Union Budget 2020-21 declared a slew of favourable measures like

- The allocation to the Ministry of Health and Family Welfare has increased to ₹65,012 crore (\$9.30 billion).
- The National Health Mission Scheme is the largest government-funded healthcare programme, which is expected to benefit 7.31 million poor families in the country by providing a cover of up to ₹5 lakh (\$7,314.22) per family per year on floater basis in the empanelled hospitals across India.
- The government has allocated ₹34,115 crore (\$4.88 billion) towards the National Health Mission under which rural and urban people will be benefited.
- ₹6,400 crore (\$915.71 million) has been allocated to the health insurance scheme Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY).

About the Company

Established in 1989 in Panchkula, India, Venus Remedies Limited is a research-driven Indian pharmaceutical company with a presence in over 60 countries. The Company's remedy-defining formulations addressing diverse therapeutic areas are manufactured at its units in Panchkula and Baddi (in India).

The Company's units are certified with ISO 9001, ISO 14001, OHSAS 18001 accreditations and also approved by the European GMP, Australian GMP and other leading global regulatory authorities looking into product and quality excellence standards.

The Company's subsidiary, Venus Pharma GmbH, based out of Werne, Germany, deals in Licensing, Packaging, Product Testing, Warehousing and Logistics.

Research & Development



India – the home to the world’s third-largest pharmaceutical industry by volume – is aiming for an annual revenue of about \$120-130 billion by 2030 from \$37 billion today and, to help it achieve the target, Indian drug makers have set up world-class capabilities in formulation development.

In this setup, research and development emerges as the biggest business enabler for any pharmaceutical company with a vision to scale newer highs. Venus Remedies has always been intensely focused on its R&D wing, Venus Medicine Research Centre (VMRC), and making heavy investments to be equipped with a strong drug development infrastructure.

Located at Baddi, Himachal Pradesh, VMRC is a fully equipped interdisciplinary drug discovery and development centre, approved by the government’s Department of Scientific and Industrial Research (DSIR). The R&D team at VMRC works towards development of therapeutics to meet the challenges of antimicrobial resistance, targeted delivery of anticancer drugs and to provide

solution to unmet medical needs in pain management.

VMRC is recognised for developing a number of solutions for chronic diseases and was awarded as the best innovator for three years in a row by the Indo-US Science & Technology forum of the Government of India.

Venus Remedies has in place a 45-member R&D team at VMRC with nine of them being research scholars or MD or MS.

The Year at a Glance

- Venus Remedies beefed up its research and development team with the addition of 13 members.
- VMRC successfully scaled up four products for commercialisation to domestic market.
- Two patents were filed during the year raising the total number of filings awaiting approval to 50.
- The team VMRC is working on 19 products across four therapeutic domains.
- Almost 50 filings were approved by various regulatory authorities worldwide and almost all of them were launched in the corresponding

countries after subsequent clearances.

Scaling up the Capabilities

The ‘scale-up’ process involves elevating a product from the laboratory to the pilot plant and then to the manufacturing unit, taking it to the intended production level. This is integral to the growth of a company’s business. Every phase of the process requires pharmaceutical expertise to ensure compliance, safety and product consistency. This is now more important than ever, with emerging technologies and best practices presiding over manufacturing expansion. Members of the VMRC squad scale up products from the laboratory to the manufacturing unit. These members belong to various areas of specialisation.

From the Laboratory

The R&D team at Venus Remedies introduced four products to the market during the year under review.

Sterloc (HOCl): Venus medicine Research Centre developed Sterloc, a super oxidised solution, based on the novel Electro Chemical Activation (ECA) Technology which generates a neutral

pH and a stable HOCl (hydrochlorous acid). It is highly effective against microorganisms like bacteria, virus (including Corona virus), fungi and spores, while being non-toxic, chemical free and 100% safe for humans.

Swachh Guard: The alcohol-based instant hand sanitiser with anti-bacterial, anti-fungal and anti-viral properties is potent enough to kill up to 99.99% germs. Swachh Guard is made of active herbal ingredients with natural moisturiser which ensures less skin dryness and irritation than hand-washing.

Trois Spray: Trois is a powerful nanotech emulsion with a unique blend of essential oils of natural origin for multi-action topical application, which has potent analgesic and anti-inflammatory effect. This product is being sold earlier in roller form and now spray SKU has been added. The emulsion is absorbed quickly into the skin to give a better, quicker and a more lasting relief from pain. Spray adds convenience for difficult-to-reach areas.

Trois Tablet: Trois Tablet is another SKU of Trois brand, used for the treatment of pain following a dental surgery, that is associated with sciatic nerve, irritation linked to sciatic nerve, osteoarthritis, rheumatoid arthritis, headache and other conditions as a supporting therapy to manage acute pain with topical application.

Funding for a Brighter Tomorrow

The Company pumped about ₹15 crore into research and development during the year under review to scale up its capabilities in four major growth areas: antimicrobial resistance (AMR), Renal Guard programme to provide safer alternatives to toxic products, solution to unmet medical needs in pain management and disinfection using ECA Technology, Nano Technology, NDDS and Targeted Drug Delivery.

Automation and software and IT infrastructure upgrade were considered capital expenditure, while the rest of the expenses like patent and IPR are bracketed under revenue expenses. Venus Remedies set four target areas for its capital investment:

- Technology upgrade
- Efficiency enhancement
- Regulatory compliance
- New technology addition

Making Formulations for Future

Venus has studied the market extensively to frame its blueprint for tomorrow. There are four therapeutic areas where the Company has stepped up its efforts to be future-ready. The R&D team has lined up a robust pipeline to address all four therapeutic areas.

- Antimicrobial Resistance: 6 products
- Oncology: 5 products
- Herbal: 5 products
- Hemostatic: 3 products

Filing for Stretching the Frontiers

Venus filed two patents– Herbal Pain Killer (HPK) and Renal Guard – during the year under review.

With the filing for patents of HPK and Renal Guard, the total number of filings pending approval as on March 31, 2020, has gone up to 50.

The Company has developed specialised team for product development, upgraded the system of archiving documents, invested in software and IoT-based automation and put in place additional check points for dossier review. All these measures are aimed at improving the quality of the dossier and reducing the time to get drug approvals.

In 2019-20, almost 50 filings were approved by various regulatory authorities and almost all of them were launched in the market.

Mapping the Way Forward

The Covid-19 crisis has unleashed an opportunity to the Indian pharmaceutical industry to play an even more important role in global healthcare. There is a potential opportunity for India to emerge brighter in the global pharma atlas.

While charting the road ahead, the R&D team at Venus Remedies has decided on a host of areas to focus on for 2020-21.

- STN (Stealth Targeted Nanotechnology) based products
- Launch of Renal Guard programme products
- Enoxaparin New Dossier in the EU and Saudi Arabia
- Pemetrexed New Dossier in Portugal
- Imipenem Cilastatin in the EU and Romania
- 12 CTD Dossiers for the EU market

Segment	Products	Niche/Research
Antibiotics	6	6
Oncology	5	5
Herbal	5	5
Haemostatic	3	3

Manufacturing Operations



Venus shines brightest because of its rare ability to walk the road less travelled.

Its world-class manufacturing facilities are acknowledged by the Indian and foreign authorities. Its advanced research and development facilities have crossed the steepest certification benchmarks. And, to sum it all, the Company has a robust marketing wing.

Venus Remedies has three manufacturing facilities – Panchkula and Baddi in India and Werne in Germany – and these are certified by ISO 9001, ISO 14001 and OHSAS18001,

European GMP and 14 other international regulatory authorities.

Armed with its three major weapons – manufacturing, R&D and marketing – Venus chose to enter an arena very few opt for. It is one of the rare pharma companies across the world to work on Antimicrobial Resistance (AMR). It also churns out some world-class products in critical care segments such as Anticancer, Anti-infective, Neurology, Skin and Wound Care and Pain Management.

Venus Remedies is also among the top 10 global fixed dosage injectable

manufacturers with a large basket catering to high-growth therapeutic segments. The Company serves 60 countries through its overseas marketing offices.

2019-20: Reviewing the Highlights

The year under review saw impressive spike in production volume in some of the major products from the Venus lab. The Company's R&D wing succeeded in taking the productivity to a higher level in some items and added a host of drugs to its basket of offerings.

1) Higher Production Volume

Antibiotics recorded a surge in volumes. Venus addressed an

increasing demand in the market for some therapeutic products

by leveraging its advanced manufacturing technology.

2) Improved Productivity

The Company adopted a host of measures to step up its productivity in certain segments. In some products, the R&D wing achieved success by tweaking the chemistry, in some case, the manufacturing department changed the batch size, and automation helped in some instances. There were a number of other initiatives too that worked effectively.

By Changing the Chemistry

Product	Improvement in Productivity
Meropenem for Injection	14%
Imipenem & Cilastatin for Injection	32%
Enoxaparin Injection	66%
Docetaxel Injection	43%

By Changing the Batch-Size

Product	Improvement in Productivity
Zoledronic Injection	50%
Azithromycin Injection	80%
Gentamycin Injection	70%

By Balancing and Automation

Product	Improvement in Productivity
All dry powders	10% (Through automation of labeling machine for visual inspection)

By Other Methods

- Chiller installation
- Energy-saving motor installation
- Installation of lyophiliser for general products
- HPLC installation

3) Cost Optimisation

Venus took a host of initiatives during the year under review to cut down on costs. The Company installed cameras to check printed labels. It helped reduce rejection by up to 2%. A high-volume Lyo increased the capacity which directly helped improve the product quality and reduce waste by 3%. Taking the mission ahead, the Company asked its vendor to improve the seal quality. This also

translated into reduction of waste due to dented seals by 2%. An RO membrane was installed to reduce water wastage by 3%. In the energy segment, the Company cut down on its consumption through a number of measures.

On the packaging front, the Company shifted most products to automated Cartonator machine to reduce manual interventions of products. It also introduced thermocol sheet in place of bubble sheet in packaging.

Areas	Energy Consumption/Cost Saving
Replacement of CFL by LED light	₹84,000 per month
Briquette boiler in place of diesel boiler	₹2.84 lakh per month
New Chiller installation	₹2 lakh per month

4) Wider Product Spread

Venus Remedies introduced four products to the market during the year, covering antibiotic and anti-haematic segments.

Areas	Therapeutic Segment	Production Volume (Units)
Polymixin B Sulphate Injection 500000 IU	Antibiotic	10,000
Ronem Forte -2000 mg	Antibiotic	10,000
Methylcobalamine Injection 500 mg	Anti-haematic	20,000
Methylcobalamine Injection 1500 mg Complex	Anti-haematic	20,000

5) Devices & Technologies

Venus introduced a number of machines and devices to improve its productivity and quality commitment. Some of these devices also helped the Company save on costs. The Company installed a camera for the labelling machine for online checking of the printing matter. It launched a shrink tunnel to make the product more presentable and attractive. A lyophiliser

of big capacity was introduced to keep up with the increasing demand in the market. This helped the Company increase its capacity. A lab washer was needed to maintain its globally-benchmarked laboratory. In 2019-20, the Company set up a new nitrogen plant at its flagship facility. The more advanced storage technology is aimed at quality enhancement.

Heating, ventilation and air-

conditioning (HVAC) play an important role in ensuring the manufacture of quality pharmaceutical products. A well designed HVAC system also provides comfortable conditions for operators. An air handling unit (AHU), which is part of the HVAC system, was introduced to the cephalosporin facility in 2019-20.

The Company introduced an HPLC system at the R&D wing to secure more precise results.

6) Introducing Automation

Venus Remedies beefed up its IT infrastructure with upgrade and

introduction of more advanced technologies to replace manual labour with automation. Reports are crucial in the pharma industry. The Company

embarked on automation to make the report preparation process more efficient and flawless, while securing the data at the same time.

Marketing



As a significant generics manufacturer, Venus has a carefully laid-out marketing blueprint that gives it the widest reach within and outside India. The wide range of injectables for mission-critical segments like antimicrobial resistance and anti-cancer produced in the Venus labs are marketed through a multi-nodal structure involving retail sales, institutional sales and collaborations. The Company has forged strategic partnerships with some of the global marques in the domain to sale its products in international markets.

1) Overseas Marketing

Over the years, Venus has widened its reach to more than 60 countries, through forging alliances and collaborations. These marketing partnerships with global leaders helped develop an extensive distribution channel covering major markets like Benin, Botswana, Ethiopia, Kenya, Mauritius, Morocco, South Africa, Indonesia, Israel, Malaysia, Nepal, Myanmar, Australia, New Zealand, Austria, Cyprus, Denmark, France,

Germany and Iceland. The Company has 11 marketing offices outside India to cater to the overseas business requirements.

Growth Engines

Venus has seen a booming market in the African continent as well in the Far East Asia, Australia and Europe. The Company invested into its bucket of antibiotics and anticoagulants to secure a large slice of the market pie in these places. It has consistently raised its dominance in the markets by securing government tenders with competitive bidding.

In the antibiotics segment, the biggest revenue mobilisers for Venus have been Meropenem and Imipenem Cilastatin, Cefeperazone and Sulbactam, and Piperacillin and Tazobactam. Enoxaparin has garnered substantial market in the anticoagulant space.

2019-20 at a Glance

The year under review has been a period of substantial success for the Company. Venus forayed into four

African countries – Guinea, Burundi and Curacao – sensing huge prospects for its generics. In Guinea, Venus entered with 12 products, while three drugs were launched for the markets in Curacao and one for Burundi.

Further, the Company entered into four tie-ups, taking the total number of marketing alliances to 53. It also secured good institutional tenders and also increased the private market business in countries like Saudi Arabia, Vietnam and Peru.

Mapping the Road Ahead

The Company is working actively towards enhancing its exports revenue through a well-defined and structured roadmap.

- The Company is analysing and evaluating all tenders and working out the most competitive prices.
- It is raising its customer base in the existing markets through aggressive campaigning and promotion.
- Venus is always looking out to explore uncharted territories through extensive market study and analysis.
- The Company is investing heavily in aggressive promotional activities in the markets of its presence to secure a bigger market share.

2) Domestic Marketing

Venus Remedies has spread its wings across mainland India through a robust distribution network and efficient marketing infrastructure. The Company runs its marketing activities through a network of 1,500 stockiest, 1,000 multispecialty hospitals and 50,000 retail outlets. It has a network of 50,000 doctors who work in sync with the marketing system to generate value for its shareholders.

The domestic marketing team has toiled hard through the years to develop confidence among the patients and a strong relationship with stakeholders at all levels. The Company has tied up with more than 15 hospitals as part of its marketing initiative. Expanding beyond the mainland India, the Company has recently tied up with DHS-Andaman and Nicobar.

Growth Engines

Despite sluggish growth in most sectors in the economy, Venus Remedies succeeded in closing the year under review with a substantial rise in business. Its trusted generics brands lived up to the Company's expectations

with some outpacing their peers by wide margins. Brands like Potentox, Supime, Neurotol and Septiloc showed tremendous confidence at customer level and contributed greatly in the domestic division performance and growth for the year 2019-20.

Manpower allocation and effective utilisation of human capital have been the principal growth driver for the business division. The strategy worked in favour and helped the division raise its production volume, product quality and product distribution.

A realignment of marketing and operational practices helped enhance brand value for the Company, while aggressive brand promotion helped widen its customer base.

2019-20 at a Glance

Most brands performed exceedingly well during the year with some of them setting a record show. The domestic marketing division turned some of its weaknesses into its strengths and the profitability increased riding on a more systematic marketing approach. The strategy was focused on an increase in brand length for promotion and core

customer satisfaction. The Company's corporate customer base doubled during the year, reflecting customer satisfaction and confidence of clients in the brand Venus Remedies.

Mapping the Road Ahead

Venus aspires to develop its domestic marketing wing as the flagship business division in the Company with greater profitability and smarter market reorganisation in a competitive pharmaceutical industry.

With an eye on enhancing the customer base and widening the reach, Venus has strengthened its redistribution system for various products by increasing its distribution channel partners. This has helped improve the availability of products to the end-customer and secured greater customer satisfaction.

The year 2019-20 was just the beginning for the domestic division to prove its brand value and effectiveness of its innovative marketing ideas through brand introductions for higher growth and a more stable performance.

Human Resources



People constitute one of the biggest and most vital capitals for Venus Remedies. The Company believes that an able and motivated workforce is one of the most significant growth drivers for the business. It invests constantly in upskilling its employees across the rank and file for a seamless transmission of key strategic decisions of the top management through the various layers of the talent pool till their last-mile execution.

Building the People Power

Venus Remedies takes pride in the fact that it has been able to earn the loyalty of its people. More than 313 employees have spent more than 10 years with the Company, while 134 have been associated with it for at least five years.

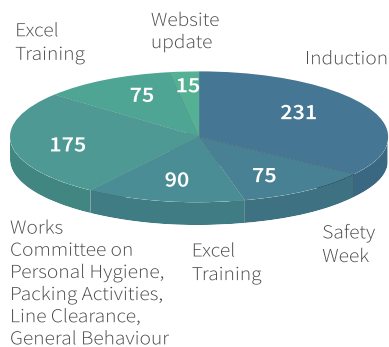
The Company recruited 231 people during the year under review. The new recruits include 15 women and 216 men. Venus sources its potential talent primarily from various job-search portals. In 2019-20, the Company on-boarded 178 members from portals, while 53 were added to the workforce based on references.

A well-structured, transparent and justified performance appraisal system is in place at Venus Remedies. This helps the Company gain employee satisfaction and build unmatched

transparency between the workers and the management.

Upskilling Talent, Upgrading Workforce

The Company conducts a host of programmes to upskill the employees. The programmes are tailored for specific operations and levels of work. In 2019-20, a total of 676 people undertook the programmes.



The Company organised 42 training programmes for associates inviting external faculties during the year under review. Dr SK Chaddha, professor and former chairman at the University Business School, Panjab University, held 27 programmes for departmental heads, while CJM Vivek Goyal conducted 15 seminars on labour laws awareness. Five executives from the organisation were sent for external training programmes.

Venus Remedies organised apprentice programmes for the new recruits. These training sessions are designed to give the business entrants the best on-the-job learning experience.

Safety Policy & Practice

Venus Remedies has a well-defined Safety, Health and Environment (SHE) policy, offering guidelines on safety procedures and practices to people on the job. The guidelines lay emphasis on electrical, fire, chemical spillage and first-aids.

All the safety measures at the Company are aligned to the Factory Act, 1948. Venus provides company vehicles to its employees, especially the women staffers, for securing their safety.

The Company strengthened its safety commitment in 2019-20 by adopting and complying with all government and statutory norms laid down by the Safety and Factory Act.

Employee Engagement

The HR team at Venus Remedies conducted a host of events for celebrating various festivals and organised a number of activities to keep the employee morale high and motivated. The team hosted quiz programmes, small sporting events and fun events throughout the year.

Information Technology



We will use Internet of Things (IoT) for collection and analysis of product-related data. Product quality and efficiency will be improved with IoT. DTR will help in reaching the customers directly.

Digital technologies have profoundly changed the way we do business, work and live. The impact is far-reaching, altering even the society and virtually tweaking all business functions and industries. We've entered into the age of digital transformation through holistic business optimisation, disruption, integration and convergence. A key element of digital business is information, which calls for a robust management approach and connecting value to create more value throughout the entire ecosystem.

We have upgraded ourselves in step with the evolving scenario around us by adopting the latest technology such as laying of fibre optics for networking backbone, shifting to smart switches and network analysers. We have also shifted our mail server to cloud for global access. For efficient and faster warehouse transactions, we have automated the process of warehousing.

Laying the IT Roadmap

The guiding principle for us in charting the IT roadmap in FY20 was to digitise every kind of data being generated in the organisation, including transactions and sensors data, for better analysis and faster decision making.

Our focus for developing the IT

solutions centred largely on sales and marketing. Most of the software, apps and projects were meant for these two vital areas. We introduced Pen Order Booking and Order Tracking System for better customer support and launched the DTS app for taking direct orders from the stockists.

a) Major Projects of 2019-20

The key IT projects that the Company undertook during the year under review included network upgrade, transfer mailing system to global cloud servers and launch EP Software and OTS Software. We took up projects like Barcoding Automation and Warehouse Automation to improve accuracy and efficiency, expedite processes and minimise manual errors.

All these projects are aimed at lowering man power costs and increasing the brand value of the Company.

b) Projects Gone Live in 2019-20

WMS Project, EP Software & Mobile App, Order Tracking System, POB APP, SFA APP, DTS APP, Warehouse Automation and Barcoding automation with Parent-Child relation.

Logging into Tomorrow

The Company is aiming for smarter

operations and more efficient handling of the sweeping changes brought about by the digital transformation. All our upcoming IT spends are targeted at more effective utilisation of data and greater transparency across various layers of the business.

a) Projects Likely to Go Live in 2020-21

Completion of Smart Network Project, Compliance Management Project, GLP Automation, Works Management, websites for all departments, IoT and DTR.

b) Projects to be Initiated in 2020-21

Compliance management will help in getting and renewing the compliances on time without any delay or penalty. With GLP Automation, dispatch and exports-related activities will be automated. All departmental websites will help in sharing common knowledge, policies and systems within the organisation.

We will use Internet of Things (IoT) for collection and analysis of product-related data. Product quality and efficiency will be improved with IoT. DTR will help in reaching the customers directly. It will fill up the gaps between the customer and the Company and will improve customer satisfaction.

Health, Safety & Environment



We deal in lives. For any pharma company, the final objective is to safeguard life – both philosophically and realistically. Sustaining a conducive ecosystem is not merely a responsibility but also an inseparable part of our existence. And, Venus Remedies takes utmost care to maintain health, safety and environment for people – both within and outside its physical entity.

The Company has a well-defined framework to maintain best safety standards for its most treasured assets – its employees. It believes an organisation can never prosper without a healthy workforce. And, in step with the belief, the Company goes extra miles to secure the health of its workers.

Safety: Benchmarked for Lives

Venus Remedies is certified under the OHSAS standards and its safety policies for its employees are structured in sync. During the year 2019-20, the Company stressed on automation in labour-centric processes and services. To take its safety standards one step up, it implemented the 5S and Lean Technology standards – in step with its international-standard ranking in the domain where it operates.

During 2019-20, the Company made significant investments in raising the safety standards for people working at its laboratories and in other sections where use of various chemicals pose a threat to their health. The organisation hosted training sessions, seminars and workshops to educate its people on various safety parameters.

The Company made it mandatory for every employee to undertake 20 mandays of training in the year on various safety aspects. This resulted in zero injury and no fatality reported during the year under review.

Health: Towards a Brighter Tomorrow

Manufacturing drugs doesn't end the job for a drug maker which believes that it has a larger role to play in the society. Venus works towards ensuring health and safety of its employees, promoting access to healthcare, and doing all that's possible to touch the lives of people.

The Company runs a campaign called, PLEA (Preserving Life of Existing Antibiotics), as part of its commitment to antibiotic stewardship. PLEA

volunteers reach out to more than 50,000 healthcare professionals in India and spread awareness on the judicious use of antibiotics and on maintaining a sanitary hospital ecology. PLEA's social media campaigns collectively reached out to people globally in 2019.

The Company organised multiple programmes in 2019-20 with focus on community cleanliness and hygiene. Venus built toilets for government schools in North India and educated students with documentaries underlining the importance of health and sanitation.

Environment: A Clean, Green World

Venus is committed towards the upkeep of ecological balance by extending the green cover, keeping the surroundings clean and managing wastes.

The wide stretches of land within its manufacturing facilities are home to many shrubs, herbs and decorative plants. It also created an herbarium at its Baddi unit comprising medicinal plants. Venus also undertook tree plantations.

Financial Performance

(Based on Consolidated Financial Statements)

The Company spearheads a year-long campaign to create awareness on the use of antibiotics. It signed up with senior and renowned doctors in its pledge campaign for rational use of antibiotics.

It observed the World Health and Hygiene day on 5 May 2019 in a number of hospitals across India and organised CMEs as part of its Hand Hygiene Campaign.

The Company lined up a host of initiatives for cleaning validation, spillage control and reduced rejection rate. It also took steps on water recycling in line with the government's water resource management norms. It reduced consumption of fresh water in purposes other than drinking.

The Company introduced a host of measures towards emission control at boilers to cut down on air pollution and noise pollution.

On the energy front, the Company replaced tube lights with LED lamps and old OID motors were replaced with new ones. These helped save on consumption of energy.

The Company recorded an improved performance in 2019-20 consequent to the all-out effort of the entire team in raising operational efficiency.

Revenue from operations increased from ₹32,189.29 lakh in 2018-19 to ₹34,146.33 lakh in 2019-20. Even as volumes increased, the cost of material consumed has reduced from ₹18,967.39 lakh to ₹16,845.48 lakh over the same period.

Astute fund management has helped the Company optimise its interest liability from ₹2,540.51 lakh in 2018-19 to ₹1,333.74 lakh in 2019-20. This helped in improving business profitability. As such Profit before Tax and Exceptional Items stood at ₹77.66 lakh in 2019-20 against ₹(2,076.53) lakh in the previous fiscal.

Internal Control & Its Adequacy

Venus maintains a system of well-established policies and procedures for internal control of operations and activities. It continuously strives to

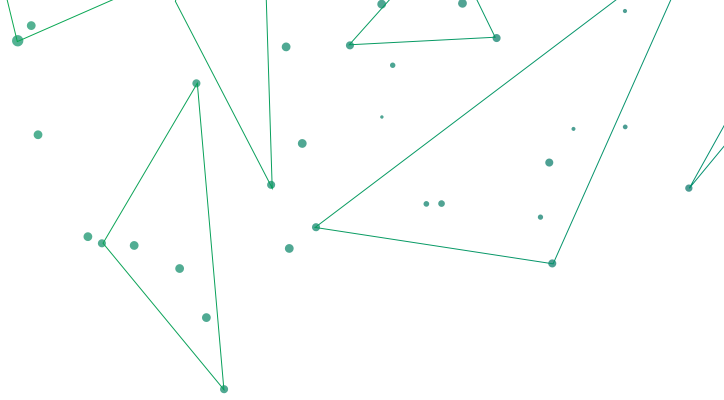
integrate the entire organisation – from strategic support functions like finance, human resource and regulatory affairs to core operations like research, manufacturing and supply chain management.

The internal audit function is further strengthened in consultation with statutory auditors for monitoring statutory and operational issues. The Company has appointed independent agencies as internal auditors. The prime objective of this audit is to test the adequacy and effectiveness of all internal control systems and suggest improvements. Significant issues are brought to the attention of the audit committee for periodical review.

Significant changes i.e. change of 25% or more in the key financial ratios

In accordance with the amendments notified by SEBI in Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May, 2018, the details of significant changes i.e. change of 25% or more in the key financial ratios as compared to the immediately previous financial year along with detailed explanations are reported here under:

Ratios	2019-20	2018-19	Change	Reason for Change
Debtors Turnover Ratio	11.13	8.46	2.67	Change in credit period
Inventory Turnover Ratio	2.42	2.26	0.16	No significant change
Interest Coverage Ratio	1.06	0.18	0.88	Decrease in Interest liability
Current Ratio	1.32	1.01	0.31	Decrease in liability
Debt-Equity Ratio	0.42	0.56	(0.14)	Decrease in loan
Operating Profit Margin (%)	4.13	1.44	2.69	Increase in sales/Margin
Net Profit Margin (%)	(2.93)	(8.88)	(5.95)	Increase in sales/Margin
Return on Net Worth (%)	(3.09)	(8.59)	(5.50)	Increase in sales & margin



Managing Business Vagaries

Business success and sustainability is only about managing external and internal challenges that impede progress.

At Venus, risk management is integral to its core philosophy and working; prediction and mitigation of risks attain a high significance. The Board is entrusted with the ultimate responsibility for the Company's risk management framework. It is responsible for approving enhancement in risk-taking abilities or risk appetite, risk tolerance and related strategies and policies.

1) Growth Risk

The Company may not have the muscle to drive growth.

Lowering the risk profile

FY20 is the advent of a new Venus, an organisation that has braved the odds to turn around its fortunes. The transformation happened because of internal efficiencies that have considerably improved product and process quality, optimised cost structures and enabled the organisation to deliver on its commitment. This has nurtured trust among customers which should, going forward, strengthen business relations.

2) Profitability Risk

Negligence could push the Company back in the red.

Lowering the risk profile

Venus has resolved to sustain its success. This is reflected in the operational improvements undertaken on the shopfloor namely improving productivity, optimising cost of operations and minimising quality issues. In addition, stringent monitoring of working capital has improved organisational liquidity – which has been prudently deployed in deleveraging the financial statements and reducing the interest burden. Moreover, increased business volumes facilitated in better absorption of fixed costs leading to improved cash flow. Growing volumes and stringent monitoring of operations and working capital will continue nudging the profitability parameters northwards.

3) Pipeline Risk

For success to sustain, in the pharmaceutical sector, you need a robust pipeline of relevant products.

Lowering the risk profile

R&D has been the bedrock of the Company's success over its journey. The research team develops generic and specialty products which, when launched, will accelerate the Company's momentum. During 2019-20, the research team scaled up four products for their commercialisation in the domestic market. It will strengthen the Company's growth momentum in the current year. Moreover, the team is working on 19 products across four therapeutic domains which will be launched in a phased manner over the medium term.

5) People Risk

Securing and retaining talent could be a challenge.

Lowering the risk profile

Venus has a strong intellectual capital pool with key decision makers having spent more than five years with the Company. Also, a large section of the team comprising middle-management members have been associated with the team for close to a decade. As a proactive organisation, the Company on-boarded more than 200 people during the period under review to balance experience with energy. Also the Company has well-designed people policies and practices which enable aspirants chart a riveting career.

4) Capacity Risk

Does the Company have the requisite capacity to manage an increase in volumes?

Lowering the risk profile

The Company has sufficient operating capacity to manage the growing volumes. Further, de-bottlenecking and process improvements have significantly improved man-machine productivity. Also, investment in automation solutions have helped improve quality output. These initiatives have released sufficient manufacturing capacity to empower the Company to seamlessly manage the volume growth when that happens.

6) IT Risk

IT has become the business imperative in growing and geographically dispersed operations. Moreover, protection of data in this invisible world is becoming increasingly critical.

Lowering the risk profile

The management is cognizant of this reality. In keeping with the growing business needs for managing volumes, speed and accuracy, the Company has made significant investment towards strengthening its IT infrastructure, introducing software solutions to smoothen business processes, strengthen its firewalls and other data protection solutions. This investment is expected to continue in the current year as the Company has a number of projects that are under implementation and at the drawing board stage which will be initiated soon.

DIRECTORS' REPORT

To the esteemed stakeholders of
VENUS REMEDIES LIMITED

FINANCIAL PERFORMANCE:

The standalone and consolidated financial statements for the financial year ended March, 2020, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

Financial Highlights

₹ In Millions

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Sales & Other Income	3,259.39	3,063.48	3,467.71	3,279.87
Financial Charges	130.45	251.46	133.37	254.05
Depreciation	310.51	329.53	320.12	339.80
Profit before Exceptional items	25.49	-193.01	7.77	-207.65
Profit before Tax	-62.63	-282.62	-80.35	-297.26
Profit After Tax (PAT)	-82.27	-271.11	-99.99	-285.75
Other Comprehensive Income	-4.72	0.697	-4.72	0.697
Total Comprehensive Income for the year	-86.98	-270.41	-104.71	-285.05

OPERATIONS & COMPANY'S STATE OF AFFAIRS

During the year under review, on Standalone basis your Company achieved a turnover ₹ 3,259.39 millions and ₹ 3,467.71 millions on Consolidated basis.

Venus Remedies Limited is a research driven Indian Pharmaceutical company with global footprints. We are eyeing fruition of breakthrough findings to make innovations enjoyable. Venus has rich portfolio of innovative and generic quality products for transforming patient's life. Company is focused in manufacturing high growth therapeutic segments like Anti-infective (antibiotics), oncology, neurology, pain management, skin & wound care and is amongst the very few R&D focused Pharmaceuticals companies in India, working

on to eradicate growing Anti-Microbial Resistance (AMR) recognized by WHO as being severe medical crisis across the globe.

LISTING OF SHARES

The equity shares of the Company are listed on Bombay Stock Exchange Ltd. and National Stock Exchange (India) Ltd. The Company has paid the Annual listing fees for the financial year 2020-21 to both stock exchanges.

EXTRACT OF ANNUAL REPORT:

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format MGT 9 is appended as annexure-1 to the Board's report.

MEETINGS OF THE BOARD OF DIRECTORS:

The Board met 5 times during the financial year 2019-20, the details are given in the Corporate Governance Report which forms part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors pursuant to Section 134(3)(c) of the Companies Act, 2013 state as follows:

- a). in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b). the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c). the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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 have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f). the directors have devised a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each independent director under section 149(6) of the Companies Act, 2013.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Nomination & Compensation Committee has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director,

Key Managerial Personnel (KMP), senior management personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

Pursuant to Section 134(3) of the Companies Act, 2013, the nomination and remuneration policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and other employees is available on the Company's website www.venusremedies.com and also appended as Annexure 2 to the Board's report as Nomination and remuneration Policy.

AUDITORS

At 29th Annual General Meeting of the company, shareholders have appointed M/s Vinod Kumar & Associates, Chartered Accountants as the Statutory Auditors of the Company (Registration No. 002304N) as statutory auditors of the Company for a term of 5 years from the financial year 2018-19 onwards.

Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with. Accordingly, no such item has been considered in notice of the 31ST AGM.

Further, the Company appointed M/s P. Chadha & Associates, Company Secretaries as the Secretarial Auditor of the Company for financial year 2019-20. The secretarial audit report for FY 2019-20 forms part of Annual Report. Qualifications, if any, in the Secretarial audit report are mentioned in the reports appended as Annexure 7.

Company is required to maintain the cost records as specified by the Central Government under sub section (1) of section 148 of Companies Act, 2013 and such accounts & records are duly maintained by the Company. M/s C. L. Bansal & Associates, Cost Accountants was appointed as cost auditors of the Company for financial year 2019-20.

PARTICULARS OF LOAN, GUARANTEE OR INVESTMENT:

Pursuant to Section 186 of Companies Act, 2013 and Schedule V of the Listing Regulations, disclosure on particulars relating to loans, advances, guarantees and investments, if any are provided as part of the financial statements.

PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES:

Particulars of Contracts or Arrangements made with related parties referred in section 188(1) of the Companies Act, 2013 disclosed in form AOC-2 as annexure-3 and also forms part of the financial statement in annual report. Related Party Transactions as per regulation 34(3) and schedule V of Listed Regulations are forming part of the Financial Statements.

TRANSFER TO RESERVES:

During the period of review Company has not transferred any amount to Reserves & Surplus.

DIVIDEND

The Board has not recommended the dividend for the year 2019-20.

SIGNIFICANT AND MATERIAL ORDERS:

There are no material changes or commitments, effecting the Financial position of the Company happening between the end of the Financial Year of the Company and date of this Report

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

During the year period no specific events/ actions has taken place which has major bearing on the Company's .

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

The prescribed particulars as required under section 134(3)(m) of the Companies Act 2013 read with Companies (Accounts) Rules, 2014 are set out in the annexure-4 & 5 forming a part of this report.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has in place comprehensive risk assessment and minimization procedures. The Company is exposed to inherent uncertainties owing to the sectors in which it operates. Many risks exist in a company's operating environment and they emerge on a regular basis. The risks faced by the Company and their minimization procedures

are assessed categorically under the broad heads of High, Medium and Low risks. Further, the Company identifies risks and control systems are instituted to ensure that the risks in each business process are minimized/mitigated. The Board provides oversight and reviews the Risk Management Policy on a regular basis.

SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

The Company has no Joint Venture or Associates as defined in the Companies Act, 2013. The company has one wholly owned foreign subsidiary in the name of Venus Pharma GmbH in Germany. The financial statement of the subsidiary forming part of this annual report in consolidated financial statement. Separate audited accounts are placed on the Company website www.venusremedies.com. In accordance with Section 129(3) of the Companies Act, 2013, statement on the performance and Financial position of the Subsidiary Company in the specified format AOC-1 is annexed to the Directors' Report as Annexure-6.

BOARD EVALUATION:

In line with the Corporate Governance Guidelines, Performance Evaluation was conducted for all Board Members, for the Board and its Committees. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations, and in accordance with the Guidance Note on Board Evaluation issued by SEBI in January 2017. The Board evaluation was conducted through questionnaire designed with qualitative parameters and feedback based on ratings.

The evaluation of all the directors and board as a whole has made as per the Companies Act, 2013. Criteria and framework as adopted by the Board is explained in the Corporate Governance Report which forms part of the Annual Report.

KEY MANAGERIAL PERSONNEL:

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Sr. No.	Names	Designation
1	Mr. Pawan Chaudhary	Managing Director
2	Mrs. Neha Kodan	Company Secretary
3	Mr. Pawan Chaudhary	CFO

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

The Company has adopted a policy for prevention of Sexual Harassment of women at work place. Company has complied with provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, Company has not received any complaint of harassment.

SHARE CAPITAL

• ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS

Company has not issued any shares with Differential Rights.

• ISSUE OF SWEAT EQUITY SHARE

During the year under review, Company has not issued any Sweat Equity shares or Employee Stock Options.

CORPORATE SOCIAL RESPONSIBILITY

For financial year 2019-20, Company does not cover under any of the parameter as mentioned under the preview of Section 135 of the Companies Act, 2013, and rules made thereunder. Company has prepared the policy on CSR which is available at Company's website www.venusremedies.com. Company has also constituted the CSR committee, details of which available in Corporate Governance which forms part of Annual Report.

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was under-taken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads*: (1) Direct expenditure on projects or programs (2) Over-heads	Cumulative expenditure upto to the reporting period*	Amount spent: Direct or through implementing agency
NIL/ N.A.							

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management discussion and analysis is provided as a separate section in the annual report.

EVENT HAVING BEARING ON AFFAIRS OF THE COMPANY

The company is actively working to resolve the financial stress and exploring all means available to its disposal to settle defaults with the banks.

PLEDGE OF PROMOTER'S SHAREHOLDING

The promoters have pledged 4430000 shares as collateral security to bank for credit facility sanctioned to the Company.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company

DEPOSITS:

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

PARTICULARS OF EMPLOYEES:

During FY 2019-20, no employee is taking remuneration ₹ 102 lakh or more and employees employed for part of the year and in receipt of remuneration of ₹ 8.50 lakh or more per month 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. Particulars of employees pursuant to section 134 (3) (q) of the Companies Act, 2013, read with rules thereunder, annexed as annexure – 8 to the Directors' Report.

CORPORATE GOVERNANCE:

The company operates not only within the regulatory framework, but is also guided by broader business ethics. The idea is to ensure good conscience, transparency, integrity and openness which would lead to accountability of the persons in charge of the company and bring benefits to investors, customers, creditors, employees and the society at large.

SHARE/ WARRANTS ISSUED DURING THE YEAR:

During the year Company has not issued or allotted any shares or warrants.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013, the Unclaimed Dividend of ₹ 7,27,713/- relating to the financial years 2011-12 was transferred to the Investor Education and Protection Fund established by the Central Government. Unclaimed dividend for the year 2012-13 is due to be transferred to the Investor Education and Protection Fund on 29.09.2020.

DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed prescribed Indian Accounting Standards (Ind AS) in preparation of its financial statements.

CASH FLOW ANALYSIS

In conformity with the provisions of Clause 34(2) of SEBI (LODR) Regulations, 2015, the Cash Flow Statement for the year ended on 31st March, 2020 forms an integral part of the Financial Statements.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Company has adopted Vigil Mechanism/ Whistle blower policy and same is available on Company Website www.venusremedies.com.

COMMITTEES OF THE BOARD:

A detailed note on the Board and committee meetings including the composition is given in the Corporate Governance Report which forms part of the Annual Report.

DIRECTORS

Mr. Rupinder Tewari (DIN 07009485), and Mr. Brij Mohan Sharma (DIN 08532224) Non- Executive Independent Directors of the Company have resigned due to professional occupancy w.e.f. 24th May 2019 and 24th February, 2020 respectively.

Mr. Peeyush Jain (DIN-00440361) retires at the ensuing Annual General meeting and being eligible, has offered himself for reappointment.

Mr Navdeep Sud (DIN- 0008764371) has been appointed as additional Director (Non-Executive Independent Director) by the Board of Directors in their meeting held on 20th June 2020. The appointment of the said director is proposed to be regularized in 31st AGM of the company.

CODE FOR PREVENTION OF INSIDER TRADING

On December 31, 2018, Securities and Exchange Board of India amended the Prohibition of Insider Trading Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, your Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The same is available at Company's website www.venusremedies.com.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

Internal Financial Control followed by the Company which helps in 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 timely preparation of reliable financial information.

The Company has appointed auditors for internal financial control. Auditors work in line with accounting standards. Various policies and SOPs have been formed for various process. They are continuously monitor the efficacy of internal controls/ compliance with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes.



ACKNOWLEDGMENTS

The Board sincerely thanks employees for their dedicated services at all levels. We also acknowledge the support and wise counsel extended to us by the analysts, bankers, government agencies and investors at large, the advisers on our panel, all concerned regulatory authorities, our business associates, suppliers, the medical fraternity, patients and last but not the least, our shareholders for their unflinching support, constant guidance and trust in Venus Remedies Limited.

For and on behalf of Board of Directors,

For **VENUS REMEDIES LIMITED**

Pawan Chaudha

Date : 06.11.2020

Place: Panchkula

Sd/-

Chairman & Managing Director

DIN-00435503

ANNEXURE TO DIRECTORS' REPORT

Annexure -1

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1. CIN	L24232CH1989PLC009705
2. Registration Date	15.09.1989
3. Name of the Company	Venus Remedies Limited
4. Category/Sub-category of the Company	Pharmaceutical manufacturing
5. Address of the Registered office & contact details	SCO-857, Cabin No. 10, NAC Manimajra, Chandigarh. Ph- 0172-2933090, Fax: 0172-2565566, Website:www.venusremedies.com
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. Noble Heights. 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058 Phone: 011-41410592, Fax: 011-41410591, email- delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Pharmaceutical product manufacturing	210	100

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1.	Venus Pharma GmbH AM bahnhof 1-3,D-59368, Werne, Germany	--	Subsidiary	100%	2(87)

IV. A. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the End of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	2330000	0	2330000	18.8786	2130050	0	2130050	17.2586	-1.62
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									
	Bodies Corporate	2300000	0	2300000	18.6356	2300000	0	2300000	18.6356	0
	Sub Total (A)(1)	4630000	0	4630000	37.5142	4430050	0	4430050	35.8941	-1.6201
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	4630000	0	4630000	37.5142	4430050	0	4430050	35.8941	-1.6201
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	5000	0	5000	0.0405	5000	0	5000	0.0405	0
(f)	Financial Institutions / Banks	2069	0	2069	0.0168	0	0	0	0	-0.0168
(g)	Insurance Companies	0	0	0	0	0	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	7069	0	7069	0.0573	5000	0	5000	0.0405	-0.0168
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh.	5215050	157659	5372709	43.532	4905503	141038	5046541	40.8892	-2.6428

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the End of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	943151	0	943151	7.6418	1594116	0	1594116	12.9162	5.2744
(b)	NBFCs registered with RBI	12541	0	12541	0.1016	0	0	0	0	-0.1016
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	IEPF	103007	0	103007	0.8346	115863	0	115863	0.9388	0.1042
	Foreign Nationals	200	0	200	0.0016	200	0	200	0.0016	0
	Hindu Undivided Family	324884	0	324884	2.6323	338025	0	338025	2.7388	0.1065
	Non Resident Indians (Non Repat)	69053	0	69053	0.5595	81409	0	81409	0.6596	0.1001
	Non Resident Indians (Repat)	238102	0	238102	1.9292	274781	0	274781	2.2264	0.2972
	Clearing Member	219203	0	219203	1.7761	39202	0	39202	0.3176	-1.4585
	Bodies Corporate	421769	300	422069	3.4198	416501	300	416801	3.3771	-0.0427
	Sub Total (B)(3)	7546960	157959	7704919	62.4285	7765600	141338	7906938	64.0654	1.6369
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	7554029	157959	7711988	62.4858	7770600	141338	7911938	64.1059	1.6201
	Total (A)+(B)	12184029	157959	12341988	100	12200650	141338	12341988	100	0
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0	0
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0
	Total (A)+(B)+(C)	12184029	157959	12341988	100	12200650	141338	12341988	100	

B) Shareholding of Promoter-

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2019			Shareholding at the End of the year - 2020			
		No of Shares Held	% of the Total of the Company	% of Shares Pledged / encumbered to total shares	No of Shares Held	% of the Total of the Company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	Sunev Pharma Solutions Limited	2300000	18.6356	18.6356	2300000	18.6356	18.636	0
2	Pawan Chaudhary	1187000	9.6176	9.6176	987000	7.9971	7.9971	-1.6205
3	MANU CHAUDHARY	1143000	9.2611	9.2611	1143000	9.2611	9.2611	0
4	PEEYUSH JAIN	0	0	0	50	0.0004	0	0.0004
	Total	4630000	37.5142	35.8938	4430050	35.8941	35.894	-1.6201

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	SUNEV PHARMA SOLUTIONS LIMITED	2300000	18.6356			2300000	18.6356
	AT THE END OF THE YEAR					2300000	18.6356
2	MANU CHAUDHARY	1143000	9.2611			1143000	9.2611
	AT THE END OF THE YEAR					1143000	9.2611
3	PAWAN CHAUDHARY	1187000	9.6176			1187000	9.6176
	Transfer			16-Sep-19	-200000	987000	7.9971
	AT THE END OF THE YEAR					987000	7.9971
4	PEEYUSH JAIN	50	0.0004			50	0.0004
	AT THE END OF THE YEAR					50	0.0004

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	KRISHNASWAMY MOHAN	50000	0.4051			50000	0.4051
	Transfer			20-Dec-19	55000	105000	0.8508
	Transfer			06-Mar-20	624	105624	0.8558
	Transfer			13-Mar-20	18940	124564	1.0093
	Transfer			20-Mar-20	27986	152550	1.236
	AT THE END OF THE YEAR					152550	1.236
2	K.B.SHEKAR	91237	0.7392			91237	0.7392
	Transfer			31-May-19	10000	101237	0.8203
	Transfer			09-Aug-19	5000	106237	0.8608
	Transfer			01-Nov-19	7161	113398	0.9188
	Transfer			08-Nov-19	6118	119516	0.9684
	Transfer			15-Nov-19	1100	120616	0.9773
	Transfer			22-Nov-19	250	120866	0.9793
	Transfer			13-Mar-20	8480	129346	1.048
	Transfer			20-Mar-20	1820	131166	1.0628
	AT THE END OF THE YEAR					131166	1.0628
3	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	0	0			0	0
	AT THE END OF THE YEAR					0	0
4	AKSHANSH CHAUDHARY	0	0			0	0
	Transfer			25-Oct-19	98664	98664	0.7994
	AT THE END OF THE YEAR					98664	0.7994

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
5	SAROJ KUMAR SAHU	17351	0.1406			17351	0.1406
	Transfer			09-Aug-19	11280	28631	0.232
	Transfer			13-Sep-19	20435	49066	0.3976
	Transfer			18-Oct-19	26	49092	0.3978
	Transfer			06-Dec-19	8112	57204	0.4635
	Transfer			20-Dec-19	1658	58862	0.4769
	Transfer			24-Jan-20	138	59000	0.478
	Transfer			13-Mar-20	11779	70779	0.5735
	Transfer			20-Mar-20	2822	73601	0.5963
	AT THE END OF THE YEAR					73601	0.5963
6	PUNEET MAHENDRA SHARMA	67357	0.5458			67357	0.5458
	AT THE END OF THE YEAR					67357	0.5458
7	VIVEK BHARATI	65000	0.5267			65000	0.5267
	AT THE END OF THE YEAR					65000	0.5267
8	KANWAR SHAMINDER SINGH BHATIA	0	0			0	0
	Transfer			20-Mar-20	60294	60294	0.4885
	AT THE END OF THE YEAR					60294	0.4885
9	SHIVADARSHAN K S	49339	0.3998			49339	0.3998
	Transfer			31-May-19	1557	50896	0.4124
	Transfer			01-Nov-19	2000	52896	0.4286
	AT THE END OF THE YEAR					52896	0.4286
10	GISHA CHAUDHARY	20	0.0002			20	0.0002
	Transfer			25-Oct-19	50480	50500	0.4092
	Transfer			01-Nov-19	-500	50000	0.4051
	AT THE END OF THE YEAR					50020	0.4053
11	ASHISH CHOUDHARY	40200	0.3257			40200	0.3257
	AT THE END OF THE YEAR					40200	0.3257
12	KARVY STOCK BROKING LTD	39368	0.319			39368	0.319
	Transfer			05-Apr-19	-1840	37528	0.3041
	Transfer			12-Apr-19	337	37865	0.3068
	Transfer			19-Apr-19	380	38245	0.3099
	Transfer			26-Apr-19	-133	38112	0.3088
	Transfer			03-May-19	-1300	36812	0.2983
	Transfer			10-May-19	-650	36162	0.293
	Transfer			17-May-19	-628	35534	0.2879
	Transfer			24-May-19	487	36021	0.2919
	Transfer			31-May-19	-412	35609	0.2885
	Transfer			07-Jun-19	31	35640	0.2888
	Transfer			14-Jun-19	466	36106	0.2925
	Transfer			21-Jun-19	440	36546	0.2961
	Transfer			29-Jun-19	-955	35591	0.2884
	Transfer			05-Jul-19	-663	34928	0.283
	Transfer			12-Jul-19	235	35163	0.2849
	Transfer			19-Jul-19	58	35221	0.2854

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Transfer			26-Jul-19	842	36063	0.2922
	Transfer			02-Aug-19	4268	40331	0.3268
	Transfer			09-Aug-19	-3519	36812	0.2983
	Transfer			16-Aug-19	-1071	35741	0.2896
	Transfer			23-Aug-19	4092	39833	0.3227
	Transfer			30-Aug-19	-438	39395	0.3192
	Transfer			06-Sep-19	1553	40948	0.3318
	Transfer			13-Sep-19	-1337	39611	0.3209
	Transfer			20-Sep-19	333	39944	0.3236
	Transfer			27-Sep-19	1390	41334	0.3349
	Transfer			04-Oct-19	-85	41249	0.3342
	Transfer			18-Oct-19	-5450	35799	0.2901
	Transfer			25-Oct-19	-473	35326	0.2862
	Transfer			01-Nov-19	-400	34926	0.283
	Transfer			08-Nov-19	-1100	33826	0.2741
	Transfer			15-Nov-19	-129	33697	0.273
	Transfer			22-Nov-19	607	34304	0.2779
	Transfer			29-Nov-19	-1126	33178	0.2688
	Transfer			06-Dec-19	-257	32921	0.2667
	Transfer			13-Dec-19	-12721	20200	0.1637
	Transfer			27-Dec-19	-867	19333	0.1566
	Transfer			31-Dec-19	-70	19263	0.1561
	Transfer			10-Jan-20	-15543	3720	0.0301
	Transfer			17-Jan-20	-86	3634	0.0294
	Transfer			14-Feb-20	-197	3437	0.0278
	AT THE END OF THE YEAR					3437	0.0278
13	ITI SECURITIES BROKING LIMITED	55270	0.4478			55270	0.4478
	Transfer			19-Apr-19	-60	55210	0.4473
	Transfer			07-Jun-19	90	55300	0.4481
	Transfer			29-Jun-19	20	55320	0.4482
	Transfer			05-Jul-19	-110	55210	0.4473
	Transfer			25-Oct-19	20	55230	0.4475
	Transfer			01-Nov-19	-10	55220	0.4474
	Transfer			08-Nov-19	-10	55210	0.4473
	Transfer			20-Dec-19	-55000	210	0.0017
	Transfer			13-Mar-20	4800	5010	0.0406
	Transfer			20-Mar-20	-4800	210	0.0017
	AT THE END OF THE YEAR					210	0.0017
14	MALTI SECURITIES PVT LTD	40000	0.3241			40000	0.3241
	Transfer			07-Oct-19	-40000	0	0
	AT THE END OF THE YEAR					0	0

Notes :

1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 12341988 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

E) Shareholding of Directors and Key Managerial Personnel during FY 2019-20:

Sr No	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	SUNEV PHARMA SOLUTIONS LIMITED	2300000	18.6356			2300000	18.6356
	AT THE END OF THE YEAR					2300000	18.6356
2	MANU CHAUDHARY	1143000	9.2611			1143000	9.2611
	AT THE END OF THE YEAR					1143000	9.2611
3	PAWAN CHAUDHARY	1187000	9.6176			1187000	9.6176
	Transfer			16-Sep-19	-200000	987000	7.9971
	AT THE END OF THE YEAR					987000	7.9971
4	PEEYUSH JAIN	50	0.0004			50	0.0004
	AT THE END OF THE YEAR					50	0.0004
5	ASHUTOSH JAIN	0	0			0	0
	AT THE END OF THE YEAR					0	0
6	NEHA KODAN	0	0			0	0
	AT THE END OF THE YEAR					0	0

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment for the financial year 2019-20:

Indebtedness 2019-20				
PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2388.17	340.10	-	2728.27
ii) Interest due but not paid	303.22	211.91	-	515.13
Total (i+ii)	2691.39	552.01	-	3243.40
Change in Indebtedness during the financial year				
* Addition	-	-	-	0.00
* Reduction	-78.59	6.86	-	85.45
Net Change	-78.59	-6.86	-	-85.45
Indebtedness at the end of the financial year				
i) Principal Amount	1679.95	340.10	-	2020.05
ii) Interest due but not paid	225.57	143.31	-	368.88
Total (i+ii)	1905.52	483.41	-	2388.93

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL DURING FY 2019-20-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in ₹)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total
		Pawan Chaudhary	Manu Chaudhary	Peeyush Jain	Ashutosh Jain	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6272640	6044544	3638136	3311964	19267284
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	70730	-	139095	36658	246483
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	6343370	6044544	3777231	3348622	19513767
	*Ceiling as per the Act			*As per the Companies Act 2013		

B. Remuneration to other directors

(Amount in ₹)

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	S.K. Chadha	Brij Mohan Sharma	Pravindra Singh Chauhan	Gilbert Wezel	
	Fee for attending board committee meetings	37500	5000	25000	NIL	67500
	Commission	NIL	NIL	NIL	NIL	
	Others, please specify	NIL	NIL	NIL	NIL	
	Total (1)	37500	5000	25000	NIL	67500
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL	
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	
	Commission	NIL	NIL	NIL	NIL	
	Others, please specify	NIL	NIL	NIL	NIL	
	Total (2)	NIL	NIL	NIL	NIL	
	Total (B)=(1+2)	37500	5000	25000	NIL	67500
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	
	Overall Ceiling as per the Act			As per the Companies Act 2013		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amount in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		743695
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- as % of profit		-
	others, specify..		-
5	Others, please specify		-
	Total		743695

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty				N.A.	
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NOMINATION & REMUNERATION POLICY

INTRODUCTION:

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing

Agreement.

OBJECTIVE

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Recommend to the Board their appointment and removal;
- The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company;
- Evaluate the Board performance.

DEFINITIONS:

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company.

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Wholetime Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.
- v) Such other officer as may be prescribed.

“Nomination and Remuneration Committee”

Appointment a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

“Policy or This Policy” means, “Nomination and Remuneration Policy.”

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961

“Senior Managerial Personnel” means:

The personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

POLICY FOR APPOINTMENT & REMOVAL OF DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment;
- ii. The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term;
- iii. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company;
- iv. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly;
- v. At the time of appointment of Independent Director it should be ensured that number of Boards on which

such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act;

- vi. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly);
- vii. The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company;
- viii. The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/ SENIOR

MANAGEMENT PERSONNEL

- i. The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company;
- ii. The Non-Executive Independent Director may receive remuneration / compensation /commission as per the

provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force;

- iii. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration;
- iv. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy;
- v. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION, REVIEW & AMENDMENT

- i. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate;
- ii. The Nomination & Remuneration Committee or the Board may review the Policy as and when it deems necessary;
- iii. This Policy may be amended or substituted by the Nomination & Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

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 during Financial Year 2018-19 by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

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

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	N.A.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Note: The above disclosures on material transactions are based on threshold limits prescribed under Companies Act, 2013 and rules thereunder. Wholly owned subsidiary is exempt for the purpose of Section 188(1) of the Companies Act, 2013.

Date : 06.11.2020
Place: Panchkula

For and on behalf of Board of Directors,
For **VENUS REMEDIES LIMITED**
Pawan Chaudhary
Chairman & Managing Director
DIN-00435503

1. CONSERVATION OF ENERGY:**A) Steps Taken During The Year For Energy Conservation**

1. Installation of new briquette fired boiler installation ,
2. Old lights replaced with LED lights to save electricity bill and by replacing LED lights approx. 12139.4 units were saved per month.
3. Installation of New Lyophilizer ,
4. Capacitors added in capacitor bank of power factor due to which power factor reached to 0.97 from 0.95.

B) Impact of the above measures for reduction of energy consumption and consequent impact on the cost of reduction of goods:

The Company saved cost as well as energy through the measures outlined above.

C. Total energy consumption and energy consumption per unit of production:**FORM A****A. Power and Fuel Consumption:**

1	Electricity	2019-20	2018-19
a)	Purchased		
	Units	4205300	3804269
	Total Amount (₹)	29654966	27445215
	Rate / Unit (₹)	7.05	7.21
b)	Own Generation		
(i)	Through D.G. Set		
	Units	234543	186234
	Total Amount (₹)	4305873	4952301
	Rate / Unit (₹)	18.36	26.59
(ii)	Through Steam Turbine/ Generation	NIL	NIL
2	Fire Briquettes		
	Quantity (Kg)	328155	11020
	Total Amount (₹)	2186887	77141
	Average rate (Rs/ unit)	6.70	7.00
3	Furnance Oil and Diesel		
	Quantity (Ltrs)	43650	147404
	Total Amount (₹)	1644992	6418341
	Average rate (Rs/ unit)	37.69	43.54
4	Other / Internal Generation	NIL	NIL

B. Consumption per unit of Production

There are no specific standards as per consumption per unit depends on the product mix

TECHNOLOGY ABSORPTION

FORM B

Research and Developments

1. Specific areas in which R & D carried out by the Company:

Being research and development driven global pharmaceutical company, we are actively involved in translating innovative concepts to workable solutions and as such pursuing many projects in niche areas which are rare in India .

Venus Medicine Research Center (VMRC) is a fully equipped interdisciplinary drug discovery and development center duly approved by Department of Scientific and Industrial Research (DSIR) Government of India. VMRC has established itself as an Intellectual Property wealth generation resource for the company. It is driven by a team of more than 30 intellectuals. A well qualified and experienced team of scientists conduct research in discovering the most needed and efficacious medicines which are safe and cost effective and also generating medical knowledge for evidence based healthcare. VMRC excels in translational research and pharmaceuticals having an in-depth experience and expertise into Novel Drug Delivery Systems, Nanomedicine and targeted therapeutics. Thrust areas of research include antibiotics, emergency care medicine, pain management, disinfection and wound care.

VMRC is committed to developing therapeutics to meet the challenges of antimicrobial resistance (AMR) and has come up with many solutions with innovative concept of PLEA (Preserving Life of Existing Antibiotics) using ARBs (antibiotic resistance breakers). Venus is one of the few research companies working on AMR medicines for more than 10 years and has developed significant product pipeline under patent protection.

Modern medicine has made several advancements and newer antibiotics were launched in US/EU in recent past, although a few of them could penetrate Indian market. In such scenario the drugs launched by Venus after all regulatory approvals and clinical trials for safety and efficacy using ARBs have proven a breathing space for Indian market which cannot afford extremely high priced new medicines and still looking for equally effective safer and economical alternatives.

Thrust Areas of Research:

Our R&D approach towards uncluttered spaces and unique therapies has pushed us to develop novel solutions that fill the gap between challenging ailments and available molecules. With the objective of saving human life through innovations, we are focusing on:

- In NDDS programme, development of Stealth Targeted Nanoparticles (STN) platform technology for oral delivery of BCS class III and IV drugs
- Development of Renal Guard Programme to reduce toxicity of existing highly toxic antibiotic drugs to rejuvenate their life span
- Hemostatic products development
- Target based Oncology Drug Delivery

Antimicrobial Resistance (AMR) can be defined as resistance of a microorganism to an antimicrobial medicine to which it was previously sensitive.

Antibiotic resistance refers to ability of the bacteria to render an antibiotic drug ineffective by developing mechanisms that counteract the functioning of antibiotic drugs. In other words, the antibiotic can no longer kill the bacteria and bacterial growth is not stopped.

This has severe life threatening implications as common infections like pneumonia that were otherwise treatable can now become fatal. Moreover, it challenges all the advances that we have made in modern medicine, making child birth and surgeries a much riskier proposition. At Venus, we provide a AMR surveillance portal for capturing and sharing resistance data.

Venus has a comprehensive software system for pan India AMR surveillance program . Implemented through a vast network across 15 states, 250 districts through 150 centers including various Healthcare Institutions/Hospitals/ Research Centers across India for data collection, feed and analysis of to understand trends of emerging resistance.

Venus has mapped emerging microbial resistance pattern for more than 40 antibiotics/combinations for close to 25000 strains and helping Physicians to take informed decision on designing therapy.

Significant breakthroughs have been achieved by VMRC in 'Antibiotic Adjuvant Entities' for notable resistance barriers like ESBLs, carbapenem resistant metallo-beta-actamases,

MRSA, CREs bacterial biofilms and efflux. Venus is working on its proprietary platform technology of Stealth targeted Nanoparticle (STN) to develop oral antibiotics for poorly bio-available IV only antibiotics. The most advanced candidates are currently being evaluated in preclinical studies .

Modern Research Infrastructure

Tech Research Laboratories of International standard following GLP

Well Developed Animal House approved by Committee for the Purpose of Control and Supervision on Experiments on Animals (CPCSEA)

Key drivers are: Innovative Solutions for tough to treat resistant pathogens causing severe diseases

- Combating Antimicrobial resistance
- Improved QoL of patient
- Reduction in side effects with enhanced safety
- Decreased frequency of drug administration
- Finding repurposing of existing drugs which can be easily put to other use at lower cost of limited trials

The Major functional divisions at VMRC include:

- **Formulation Development:** NDDS (Novel Drug Delivery System) based product development, Nanotechnology, Targeted Delivery, Sustained Delivery, Pulsatile Drug Delivery and development of ARBs, Non infringing formulations, Improved Bioavailability, Process Development and Technology Transfer.
- **Analytical Research:** Analytical method development and validation, Bioanalytical method development and validation, Drug drug interaction, Stability studies and Physio-chemical research
- **Pre- Clinical& DMPK:** Toxicity studies, Pk/Pd Studies, Proof of Mechanism, Proof of Concept, Safety Pharmacology, QTC studies, Histopathological Study, Pharmacokinetic
- **Cell Culture and Microbial Biotechnology (CCMB):** Genetic characterization of resistant strains, research using Hollow Fiber Infection Model., micro-imaging studies on cellular functions, molecular imaging and imaging biomarkers, Semi-quantitative and quantitative gene expression, Protein profiling, cytotoxicity, Method

validation for BET and Sterility, Microbio Assay, Clinical microbiology, TKC, Carcinogenicity and Mutagenicity Studies.

- **Clinical Research:** Early phase clinical studies (Phase I, II), Late phase clinical studies (Phase III and IV), Bridging phase trials, PK, BA/BE studies and Pharmacovigilance
- **Intellectual Property Protection and Commercialization Cell:** Patent filing, prior art search, patent maintenance and prosecution, NBA NOC handling, Technology evaluation for in licensing, Research valuation, Market survey and lead generation
- **Drug Regulatory Affairs:** Dossier preparation in eCTD and CTD formats, filing and maintenance, variation filing, regulatory submissions for India DCGI, NDAC and International pre IND meetings, regulatory documents submission for tenders, product life cycle management

IPR Wealth

Venus has been building a strategic portfolio of IP wealth which has not only catered to the unmet medical needs, the efforts have brought extension of technologies in various products and applications. The effort in addition to economic benefit, have ensured a strategic and competitive benefit in the market place besides getting recognition for delivering unique solution for medical needs The company has its well defined IP policy in place. Efforts of Venus Medicine Research Centre for innovations are well reflected in the number of patents filed so far.

2. Benefits derived as a result of the above R & D:

Venus Medicine Research Centre has enhanced the value in terms of recognition of our capabilities, commitment.

1. **Sustainability:** Only companies with active R&D and bringing innovative solution have survived in past due to cut throat generic competition
2. **Cash cow:** Research product fetch better margins as they offer unique solutions
3. **Market exclusivity:** IP protection prevents from unhealthy competition in research products
4. **Recognition:** Brining solution for unmet needs give recognition in market and that helps to beat competition
5. **Reliability:** While offering innovative unique market specific solutions from past >18 years now, Venus has

gained a confidence of customers in terms of reliability on quality and solution

6. **Opportunity:** R&D brings newer opportunities to our plate as a very few players exist in niche space in which VMRC operates
7. **Proud:** All Venusians feel proud of being associated with an Innovation driven company bringing laurels to nation on global platform.
8. **Risk Management:** Doing R&D and bringing innovative solutions which are need of the hour mitigates risk of being obsolete & loss

3. Future plan of action:

Energizing R&D activities to realize the Mission 2020 to be recognized globally and expand focus from product development and IP wealth creation to wealth propagation and to deliver timely healthcare solutions for unmet medical needs focused on improving patient outcomes. This imperative will require focused flexible approach to reach out to customer, radically evolve the value proposition for future differentiated products and to integrate all resources in pursuit of developing, delivering, understanding and maintaining the best possible therapies and services to the global market. Aligning our priorities across these functions ensures that we develop potential therapeutics in a phased manner to meet the changing demands of the market place.

Venus is looking strongly in development of IP wealth cycle that would provide a seamless opportunities to gain predicted outcomes and balance risks.

The foremost priorities are given below.

- Development of VRT001-C using platform STN technology
- Launch of products based on Renal Guard platform technology
- Covid-19 Product Trials
- Enoxaparin dossier filing in the EU and Saudi Arabia
- L-arginine injection dossier filing in the EU
- Pemetrexed dossier filing in Portugal
- Imipenem Cilastatin dossier filing in the EU and Romania
- New hemostatic product launch
- Registration of products going off patent in exports

- Participation in global scientific platforms and conferences for showcasing our Research work and commitment towards Antimicrobial Resistance.
- Research collaborations with Government and Private Organization working on AMR and propagating concepts of using Antibiotic Resistance Breakers (ARB) for reviving efficacy of old Antibiotics.

The annual spending on research would be kept incremental in proportion to the increase in the sales as per the company's plan.

Particulars	2019-20		2018-19	
	₹ in million	% to turnover	₹ in million	% to turnover
Recurring Expenditure (R&D)	142.52	4.42	146.53	4.86

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1) Efforts, in brief, made towards technology absorption, adaptation and innovation.

The Company fixes stringent targets for technology improvement and up-gradation based upon global competition and quality criteria. Scientists at Venus Remedies undertake extensive up-gradation programs to improve and acquire latest technology with far reaching beneficial effects from research to manufacturing to marketing. Venus Scientists work in close relation with the manufacturing team to ensure smooth understanding and transfer of technology for large scale manufacturing. A stringent quality standard is maintained by Venus scientists with respect to GXP (GMP, GLP, GCP, etc.). Venus does invest into technology/product in-licensing as well as collaborative development with the industry and academic.

Venus Remedies continually invites, explore collaboration and partnership with the single most objective to alleviate human sufferings and make better tomorrow. Venus Medicine Research Centre (VMRC), a research unit of Venus Remedies Limited entered into joint product development collaboration with Institute of Nuclear Medicine & Science (INMAS), a unit of DRDO. Under this collaboration, VMRC shall be developing various products for use in defence/paramilitary forces. Venus has entered into a research collaboration with University of Illinois, Chicago, Punjab University, KGMC Lucknow, IMTECH, Punjab, GJU Hissar and Shoolini University, Himachal Pradesh.

2) Benefits derived as a result of the above efforts e.g. product development, import, substitutions etc.

Commercial Launch of new products including novel drugs for antimicrobial resistance, oncology therapeutics, pain control etc. have differentiated Venus from the league of generic drug makers. Strengthening of Company's Product Basket specially with innovative and potential blockbuster drugs Supply of high Quality, research products with great potential to strategic partners

Venus has carved a niche for itself in super specialty parenterals especially in Oncology and Antimicrobial resistance and is one of the leading IPR wealth generator among Indian Pharma sector.

Venus has been building a strategic portfolio of IP wealth which has not only catered the unmet social needs, the efforts have brought extension of technologies in various products and applications. The effort in addition to economic benefit, have ensured a strategic and competitive benefit in the market place besides getting recognition for delivering unique solution for medical needs.

3) Import Technology

The Company has not imported any technology during the financial year under review.

Annexure-5

FORM C

3. Foreign Exchange Earnings and Outgo

Amount in ₹ lakh

Particulars	Currency	Current Year 2019-20	Current Year 2018-19
A. Earning in Foreign Exchange			
Sales	USD	173.91	138.64
	EURO	47.55	51.1
	GBP	22.84	23.19
R & D Activities	USD	0.54	1.11
	EURO	0.69	0.11
	GBP	0	0.33
B. Expenditure in Foreign Exchange			
Particulars		Current Year	Current Year
Salary	USD	1.3	1.02
Traveling	USD	0.05	0.06
Regulatory Fee for Patent / Products & Plant Registration / Export	USD	2.29	1.69
	EURO	0.02	0.06
Subscription / Publication	USD	0.01	
Commission / Incentive	USD	0.72	0.2
	EURO	0.03	0.01
	GBP	0.06	0.00

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in lakh)

Particulars	Name of the subsidiary
Reporting period for the subsidiary	1st April 2019 to 31st March 2020
Reporting currency and Exchange rate	EURO The Figures in the Balance Sheet for the year have been translated from Euro at the Closing RBI reference rate as on 31.03.2020 i.e 1 € = 83.0496 ₹=. The figures in the Profit and Loss Account for the year have been translated from Euro at the Average RBI reference rate for the year ending 31.03.2020 i.e 1 € = ₹80.376. The historic rate is used to convert the Share capital and the rate for 1 €= 55.56
Share capital*	2873.61
Reserves & surplus	(888.33)
Total assets	4570.06
Total Liabilities	4570.06
Investments	--
Turnover	8496.35
Profit before taxation	(177.23)
Provision for taxation	--
Profit after taxation	(177.23)
Proposed Dividend	--
% of shareholding	100%

Notes:

1.Names of subsidiaries which are yet to commence operations: NIL

2.Names of subsidiaries which have been liquidated or sold during the year: NIL

* Share Capital above includes money received against share capital amounting ₹ 2859.72 lakh.

Part "B": Associates and Joint Ventures: N.A.

For and on behalf of the Board of Directors

For and on behalf of the Board of Directors

(Peeyush Jain)

Deputy Managing Director

(Pawan Chaudhary)

Chairman & Managing Director

(Neha Kodan)

Company Secretary

(Ajeet Kapoor)

CGM Accounts

Date : 06.11.2020

Place : Panchkula

Form no. MR -3
SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2020

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

To,
The Members,
Venus Remedies Limited
(CIN : L24232CH1989PLC009705)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Venus Remedies Limited (“the listed entity”) having Corporate Identification Number (CIN) L24232CH1989PLC009705 and registered office at SCO 857, 2nd Floor, C.No. 10 NAC Manimajra, Chandigarh - 160101 (hereinafter called ‘the company’). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon

Based on our verification of the Company’s books, papers, minutes book, 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 March 31, 2020 complied with statutory provisions listed hereunder and also that 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 March 31, 2020 according to the provisions of:

(i) The Companies Act, 2013 (The Act) and the rules made there under;

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

(a) The Company has paid managerial remuneration in excess of limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V of the Act;

(b) The Company has defaulted in repayment of loans or borrowing to the Banks which were persisting as on 31st March, 2020;

(ii) The Securities Contract (Regulation) Act,1956 (‘SCRA’) and the rules made there under;

(iii) The Depositories Act,1996 and Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act,1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercials Borrowings;

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

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended upto date;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended upto date; and
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients as amended upto date;
- The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended upto date and to the extent applicable to the company

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

- (a) Secretarial standards with regard to Meeting of Board of Directors and General Meetings issued by the Institute of Company Secretaries of India;
- (b) The Securities and Exchange Board of India (Listing Obligation Disclosure Requirements) Regulations, 2015;
- (c) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review, the provision of the following Regulations (as enumerated in the prescribed format of Form MR-3) were not applicable to the Company:

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; and
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013

During the period under review, the Company carried on the business of Pharmaceuticals. As per Management Representation, the Company has complied with the provisions of following Acts and Rules made there under. The Company has complied with the following Acts specifically applicable to the Pharmaceutical Industry.

- Drugs and Cosmetics Act, 1940;
- Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
- Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974
- Food Safety and Standards Act, 2006
- The Indian Copyright Act, 1957
- The Patents Act, 1970
- The Trademark Act, 1999
- The Pharmacy Act, 1948
- Drugs Control Act, 1950
- Goods and Service Tax Act, 2017
- Industrial (Development & Regulation) Act, 1951

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 relevant act. However, The Company has paid managerial remuneration in excess of limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V of the Act; Further, The Company has defaulted in repayment of loans or borrowing to the Banks which were persisting as on 31st March, 2020;

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

We further report that majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that during the Audit period no specific events/actions has taken place which has major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc except following:-

- i. Corporation Bank, State Bank of India has approached National Company Law Tribunal, Chandigarh, wherein the matter are not yet admitted.
- ii. State Bank of India, EXIM Bank, Dena Bank and Corporation Bank have approached Debt Tribunal, Chandigarh and the matter are pending for adjudication.

However, the compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by us since the same have been subject to review by statutory auditors and other professionals.

We further report that during the audit period no specific events/ actions has taken place which has major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date: 21.08.2020
Place: Chandigarh

For **P Chadha and Associates**
Company Secretaries

(Prince Chadha)
M. No A32856, CP No. 12409
UDIN:A032856B000604911

PRINCE CHADHA

B.COM., C.S.

P. Chadha & Associates

H. .No. 48, Sector 41-A Chandigarh

(M) 75086-35880, e-mail : pchadhacs@gmail.com, prince.chadha88@gmail.com

To,
The Members,
Venus Remedies Limited
(CIN : L24232CH1989PLC009705)

Our Secretarial Audit Report (Form MR-3) of even date is to be read along with this letter:

- 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.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of law, rules, regulations and happening of event etc.
- The compliance of provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit reports is neither an assurances as to the future viability neither of Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Date: 21.08.2020
Place: Chandigarh

For **P Chadha and Associates**
Company Secretaries

(Prince Chadha)
M. No A32856, CP No. 12409
UDIN:A032856B000604911

Particulars of Employees Remuneration

Particulars of employees pursuant to section 134(3)(q) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014

The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Pawan Chaudhary	31.61:1
	Mrs. Manu Chaudhary	30.12:1
	Mr. Peeyush Jain	18.82:1
	Mr. Ashutosh Jain	16.68:1
The % of increase in remuneration of each director, Chief Financial officer, Chief Executive officer, Company Secretary or Manager, if any, in the Financial year	Mr. Pawan Chaudhary	(0.24)%
	Mrs. Manu Chaudhary	No change
	Mr. Peeyush Jain	2.34%
	Mr. Ashutosh Jain	1.11%
	Mrs. Neha	3.29%
The percentage increase in the median remuneration of the employees in the financial year	12.63%	
Total no. of employees as on 31.03.2020	909	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average Salary increase in employees is 8.37%. There were no change in the remuneration of the managerial personnel from last financial year. There is no exceptional circumstances for increase in the managerial remuneration	
the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Managing Director of the Company is the highest paid director and no other employee is getting remuneration higher than the Managing Director.	
Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year is as per the Remuneration policy of the Company.	

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is about maintaining and preserving the highest standards of integrity, transparency and accountability. Over the years, your Company has complied with the principles of Corporate Governance. The Company operates not only within the regulatory framework, but is also guided by broader business ethics. The idea is to ensure good conscience, transparency and openness which would lead to accountability of the persons in charge of the company and bring benefits to investors, customers, creditors, employees and the society at large. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth.

Your Company will continue to focus its resources, strengths and strategies for creation and safeguarding of shareholders' wealth and at the same time protect the interests of all its shareholders while upholding the core values of excellence, integrity, responsibility, unity and understanding.

2. BOARD OF DIRECTORS:

A. Composition, Category, attendance and number of other Directorships of the Directors are furnished below:

As at March 31, 2020, the Board consisted of 7 members. The Composition, category of directors and directorships held in other companies by the Directors on the Board of the Company was as under:

Name of Director	Category of Director	No. of outside Directorships in Indian Public Companies and Listed Companies	No. of Board Committee other than Venus Remedies Limited In Which Chairman/Member	No. of Board Meetings attended	Attendance at last AGM	Number of shares/ convertible securities held by non executive directors
Mr. Pawan Chaudhary (Chairman & Managing Director)	Promoter, Whole-time Director	1	Nil	5	Yes	987000
Mrs. Manu Chaudhary (Joint Managing Director)	Promoter, Whole-time Director	1	Nil	5	No	1143000
Mr. Peeyush Jain (Dy. Managing Director)	Whole-time Director	Nil	Nil	5	Yes	50
Mr. Ashutosh Jain (Executive Director)	Whole-time Director	1	Nil	5	Yes	-
Dr. S. K. Chadha (Independent Director)	Independent Non-Executive	Nil	Nil	5	No	-
Dr. Gilbert Wenzel (Independent Director)	Independent Non-Executive	Nil	Nil	1	No	-
Dr. Rupinder Tewari* (Independent Director)	Independent Non-Executive	Nil	Nil	0	No	-
Mr. Pravindra Singh Chauhan (Independent Director)	Independent Non-Executive	Nil	Nil	4	Yes	-
**Mr. Brij Mohan Sharma (Independent Director)	Independent Non-Executive	Nil	Nil	2	No	-
***Mr. Navdeep Sud	Independent Non-Executive	N.A.	N.A.	N.A.	-	-

*Dr. Rupinder Tewari has resigned w.e.f. 24.05.2019 due to professional occupancy and he has provided the confirmation that there is no other material reason.

** Mr. Brij Mohan Sharma has been appointed as Independent Non executive Director in Annual general Meeting dated 30.09.2019 and subsequently resigned w.e.f. 24.02.2020 due to professional occupancy and he has provided the confirmation that there is no other material reason.

***Appointed as Additional Director in Board meeting dated 20.06.2020

B. Details of Board Meetings held during the year:

Sr. No.	Date	Board Strength	No. of Directors present
1.	29.05.2019	7	6
2.	30.05.2019	7	6
3.	13.08.2019	8	7
4.	12.11.2019	8	6
5	12.02.2020	8	7

C. The key skills/ expertise/ competencies identified by the Board of directors as required in context of Company's business and the sector.

Financial	Understanding of financial functions, financial reporting, proficient planning process, capital allocation, evaluation of risk and opportunities.
Management and Leadership	Strong management and Leadership experience, demonstrating strengths and making logistical decisions that drive organization toward the established vision.
Diversity	Diversity of thought, experience, knowledge, skills, gender, culture, personality traits, value and attitudes.
Strategy and planning	Strategic planning and formulating business strategies, implementing them, and evaluating their impact based on organizational objectives. Experience in guiding and leading management teams
Global & Domestic understanding and Marketing skills	Experience of global and domestic business market with regard to economic conditions, cultures, environment and regulatory jurisdictions. Making strategies to grow sale and market share, brand recognition.
Research & Development	Ability to handle large data sets and perform high-level data analysis, Technophile, A knack for finding new drug discovery targets, Business skills and awareness of industry trends, Understanding legal and regulatory issues.
Corporate Governance	Experience in developing, upholding and preserving of good corporate governance keeping the best interest of each stakeholder with corporate ethics and values.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Name of Director	Financial	Management and Leadership	Diversity	Strategy and planning	Global & Domestic Business understanding and Marketing skills	Research & Development	Corporate Governance
Mr. Pawan Chaudhary	√	√	√	√	√	√	√
Mrs. Manu Chaudhary	-	√	√	√	-	√	√
Mr. Peeyush Jain	√	√	√	√	√	√	√
Mr. Ashutosh Jain	-	√	√	√	√	√	√
Dr. S. K. Chadha	√	√	√	√	--		√
Dr. Gilbert Wenzel	√	√		√	-	√	√
Mr. Pravindra Singh Chauhan	√	√	√	√	-	-	√

D. Inter-se relationships among directors:

Mr. Pawan Chaudhary and Mrs. Manu Chaudhary are husband and wife. Mr. Peeyush Jain and Mr. Ashutosh Jain are brothers of Mrs. Manu Chaudhary. Except this, there are no inter-se relationship among the Directors.

E. Familiarization programme imparted to Directors:

Company has implemented familiarization programmes for its directors. Details of familiarization programmes imparted to directors are uploaded on Company's website www.venusremedies.com

F. Independent Directors' term:

The Independent Directors fulfill the criteria of independence as per the provisions of Listing Agreement, Companies Act, 2013 and SEBI (Listing obligations and Disclosure requirements) Regulations 2015 and have given declaration of Independence. Mr. Pravindra Singh Chauhan appointed as the Independent Director for five years w.e.f. 24.09.2018. Dr. Suresh Kumar Chadha and Dr. Gilbert Wenzel, Independent directors are appointed for the tenure of 5 years from the AGM held on 30.09.19.

A Separate meeting of Independent Directors was held on 12.02.2020. Dr. Suresh Kumar Chadha, Mr. Pravindra Singh Chauhan and Dr. Gilbert Wenzel were present at the meeting.

G. Succession Planning:

Company has effective plans for orderly succession for appointment to the board of directors and senior management.

H. Code of Conduct

The Company has established a code of conduct for its management and senior officials. The company has placed the code of conduct on its website www.venusremedies.com

Affirmation that Board of Directors have affirmed that they have followed the code of conduct for the financial year ended on 31.03.2020 as annexed with the report.

I. Information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration during the Financial Year 2019-20.

J. Board Confirmation on Independent directors:

In the opinion of Board of Directors, Independent directors fulfill the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The independent directors are not connected to Management in any way, they are Independent of the Management of the Company.

3. AUDIT COMMITTEE:

Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

A) The Audit Committee performs the following functions:

a) Overseeing the Company's financial process and

disclosure of financial information to ensure that the financial statement is correct;

- b) Recommending the appointment and removal of external and internal auditor, fixation of audit fee and approval for payment of any services;
- c) Reviewing with the management annual financial statement before submission to the Board;
- d) Reviewing significant audit finding with the management and external and internal auditors, the adequacy of internal control system.;
- e) Scrutiny of inter-corporate loans & Investments, if any;
- f) Approval of related party transaction;
- g) Discussing with internal auditors any significant finding and follow up on such issues;
- h) Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern;
- i) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- j) Examining reasons for substantial default in the payment to depositors, debenture holders, shareholders and creditors, if any;
- k) Recommendation for appointment, remuneration and terms of appointment of auditors;
- l) To evaluation of internal financial controls and risk management systems;
- m) To review the functioning of the whistle blower mechanism;
- n) To review management letters / letters of internal control weaknesses issued by the statutory auditors.
- o) Carrying out any other function in the terms of reference of Audit Committee as mentioned in the SEBI regulations and Companies Act, 2013.

B) Composition:

The Committee is comprised of three directors having financial and management expertise. The committee is

headed by Non-Executive Independent Director of the Company. Chairman of the audit committee was present at the last annual general meeting.

Sr. No.	Name of Director/ Member	Designation	Category
1	Mr. Pravindra Singh Chauhan	Chairman	Non-Executive Independent
2	Dr. S.K. Chadha	Member	Non-Executive Independent
3	Mr. Navdeep Sud*	Member	Non-Executive Independent
4	Mr. Pawan Chaudhary	Member	Managing Director

*w.e.f from 20.06.2020

Company Secretary of the Company act as the Secretary to the audit committee.

C) During the year five Audit Committee Meetings were held:

S.No.	Date of Meeting	No. of Directors present
1.	29.05.2019	3
2.	13.08.2019	3
3.	12.11.2019	3
4.	12.02.2020	3

4. NOMINATION & REMUNERATION COMMITTEE

A) Role of Nomination and Remuneration committee is as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the

- Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- Recommend to the Board their appointment and removal;
- The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company;
- Evaluate the Board performance.
- Carrying out any other function as mentioned in the SEBI regulations and Companies Act, 2013.

B) Composition & Attendance:

The Nomination & Remuneration Committee comprises of Non Executive and Independent Directors.

Sr. No.	Name of Director/ Member	Designation	Category
1	Mr. Pravindra Singh Chauhan	Chairman	Non-Executive Independent
2	Mr. S.K. Chadha	Member	Non-Executive Independent
3	*Dr. Rupinder Tewari	Member	Non-Executive Independent
4.	**Mr. Brij Mohan Sharma	Member	Non-Executive Independent
	***Mr. Navdeep Sud	Member	Non-Executive Independent

*Resigned w.e.f. 24.05.2019.

** Resigned w.e.f. 24.02.2020.

*** w.e.f from 20.06.2020

Company Secretary of the Company act as the Secretary to the Nomination & Remuneration Committee.

C) During the year two Nomination & Remuneration Committee Meetings were held:

S.No.	Date of Meeting	No. of Directors present
1.	29.05.2019	2
2.	13.08.2019	2

D) Remuneration of Directors during FY 2019-20:

Name of Director	Salary	Sitting Fee	Perquisites	Superannuation	PF	Commission	Total
Mr. Pawan Chaudhary	6272640	Nil	70730	Nil	Nil	Nil	6343370.00
Mrs. Manu Chaudhary	6044544	Nil	Nil	Nil	Nil	Nil	6044544.00
Mr. Peeyush Jain	3638136	Nil	139095	Nil	Nil	Nil	3777231.00
Mr. Ashutosh Jain	3311964	Nil	36658	Nil	Nil	Nil	3348622.00
Mr. Pravindra Singh Chauhan	Nil	25000	Nil	Nil	Nil	Nil	25000
Dr. S. K. Chadha	Nil	37500	Nil	Nil	Nil	Nil	37500
Mr. Brij Mohan Sharma	Nil	5000	Nil	Nil	Nil	Nil	5000
Dr. Gilbert Wenzel	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- None of the non-executive directors are holding any shares or convertible instruments in the Company.
- The non-executive directors are paid only sitting fees for attending the Board /Committee meetings.
- There is no provision for performance linked incentives to directors.
- There was no pecuniary relation and transactions between the Non-executive directors and the company during the year.

E. Evaluation Criteria:

The Nomination & Remuneration Committee lays down the criteria for performance of the Directors. The criteria for performance evaluation of Directors covers parameters such as decision taken in the interest of the organization objectively, assist the Company in implementing the Corporate Governance, monitor performance of organization based on agreed goals and financial performance, actively participate in the affairs of the Company as Board member and/or committees. Policy on performance evaluation available on Company's website www.venusremedies.com.

F. POLICY FOR REMUNERATION TO DIRECTORS/KMP/ SENIOR MANAGEMENT PERSONNEL

- The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company;
- The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force;

- The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration;
- The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy;
- The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

G. Criteria for making payment to Non-Executive/ Independent Directors

With changes in the Corporate Governance norms, the Non-executive/ Independent Directors bring in a wider perspective in the deliberations and decision-making of the Board which adds value to the Company. They also play a crucial role in the Independent functioning of the Board.

The Non-Executive/ Independent Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings and commission as detailed hereunder:

H. Payment to Independent Directors:

An Independent Director shall not be entitled to any stock option and shall receive Sitting fees and reimbursement of expenses for participation in meetings of the Board or committee thereof, as may be permissible under the Companies Act, 2013 and any other applicable law at the discretion of the Board.

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.

The above said policies are available at the company's website www.venusremedies.com

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The stakeholders' Relationship Committee has been constituted to approve transfer, transmission, sub-division, issue of duplicate/split/consolidation of shares/debentures, demat/remat and for redressal of Investor complaints on all matters.

A. Role of Stakeholders Relationship Committee is as follows:

- i. Resolving the grievances of the share holders 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.
- ii. Review of measures taken for effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The committee meets fortnightly or as may be required.

The present composition of stakeholders' Relationship Committee:

Sr. No	Name of Director/ Member	Designation	Category
1	Mr. Pravindra Singh Chauahn	Chairman	Non-Executive Independent
2	Mr. Peeyush Jain	Member	Whole time director
3	*Mr. Brij Mohan Sharma	Member	Non-Executive Independent
	**Mr. Navdeep Sud	Member	Non-Executive Independent

*Resigned w.e.f 24.02.2020

**w.e.f from 20.06.2020

Company Secretary of the Company act as the Secretary to stakeholders' Relationship Committee.

Name & Designation of compliance officer: Ms. Neha Arora, Company Secretary & Compliance Officer.

During the financial year 2019-20 Shareholders' grievance pending during the beginning of the year-NIL, Received during the year-56, Disposed of during the year-56, Remaining unresolved at the end of the year-NIL. No grievance pending to the satisfaction of shareholders.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with rules made thereunder, Company constituted the CSR committee with following members:

Name	Designation	Category
Dr. Suresh Kumar Chadha	Chairman	Non- Executive Independent
Mr. Pawan Chaudhary	Member	Whole time director
Mr. Peeyush Jain	Member	Whole time director

Function of the committee:

- a) To formulate and recommend to the board, a CSR which shall indicate the activities to be undertaken by the company as specified in schedule VII of the Companies Act 2013.

- b) Recommend the amount to be incurred on CSR activities. During the review period, one meeting was held on 12.02.2020, all committee members attended the said meeting. CSR policy is available on company's website www.venusremedies.com
- c) Monitor CSR activities of the Company time to time.
- d) Prepare a transparent mechanism for ensuring implementation of project/ programmes/ activities to be undertaken by the company.

7. GENERAL BODY MEETINGS

Details of General Meetings held in last three years:

Financial Year	Meeting	Date	Time	Location	Special Resolution Passed
2016-2017	AGM	29.09.2017	10.00 AM	Hotel Pelican, Industrial Area, Phase-2, Chandigarh	To Increase the authorized share capital of the company and made changes in Memorandum and articles of association to give effect to change in authorized share capital.
2017-2018	AGM	24.09.2018		Hotel Pelican, Industrial Area, Phase-2, Chandigarh	To approve the Material Related Party Transactions
2018-2019	AGM	30.09.2019		Hotel Pelican, Industrial Area, Phase-2, Chandigarh	1. Re-appoint Mr. Pawan Chaudhary as Managing Director of the Company.
					2. To Re-appoint Mr. Peeyush Jain as Deputy Managing Director of the Company
					3. Re-appointment of Dr. Suresh Kumar Chadha (DIN: 00449766) as an Independent Director for second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.
					4. Re-appointment of Dr. Gilbert Wenzel (DIN: 01492035) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.
					5. To approve payment of remuneration to Mrs. Manu Chaudhary (DIN: 00435834), Joint Managing Director.
					6. To approve payment of remuneration to Mr. Ashutosh Jain (DIN: 01336895), Executive Director.
					7. To approve the Material Related Party Transactions

E-voting & ballot voting were conducted during the year 2018-19 and Mr. Prince Chadha was appointed as the scrutinizor for the aforesaid purpose.

Details of the voting for AGM dated 30.09.2019 is as under:

Special resolution No. 5: Assent- 78.60%; Dissent-21.40%

Special resolution No. 6. : Assent- 78.60%; Dissent-21.40%

Special resolution No. 7. : Assent- 99.69%; Dissent-0.31%

Special resolution No. 8. : Assent- 99.69%; Dissent-0.31%

Special resolution No. 9. : Assent- 78.60%; Dissent-21.40%

Special resolution No. 10. : Assent- 78.60%; Dissent-21.40%

Special resolution No. 11. : Assent- 99.69%; Dissent-0.31%

E-voting & ballot voting procedure is in compliance with the provisions of the Companies Act, 2013 and rules made thereunder, procedure is also mentioned in the AGM Notice.

Special resolution proposed for the current AGM: As per the Notice of 31st Annual General Meeting.

8. DISCLOSURES

(a) Related party Transaction:

Related party transactions entered during the financial year were at an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Transactions with related parties during the period are disclosed in Notes to the Accounts. The related party transactions are in compliance with the IND AS 24 and disclosed under then notes to Accounts forming part of this annual report.

Policy to deal with Related Party Transactions and material subsidiary are uploaded on Company's Website www.venusremedies.com

(b) Compliance:

There were no penalties, strictures imposed on the company by stock exchanges, SEBI or any other statutory authorities during the last three years.

(c) The Company has established the Vigil Mechanism and whistler Blower Policy and company affirm that no personnel has been denied access to the audit committee.

The said policies are uploaded on Company's Website www.venusremedies.com

(d) The Company has complied with all the statutory requirements and not adopted any non mandatory requirements of Listing Agreement and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

(e) Disclosure of commodity price risk and commodity hedging activities: Not applicable as company does not deal in commodities.

(f) Details of Funds utilized: During the Financial year 2019-

20 no preferential allotment was made by the Company.

(g) As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Auditors' certificate on corporate governance annexed to the report.

(h) Code for Prevention of Insider Trading

In line with the amendments, Company has adopted the amended Code of conduct as per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 amended on December 31, 2018 by Securities and Exchange Board prescribing various new requirements with effect from April 1, 2019 to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The code has been available of Company's website www.venusremedies.com

(i) The preparation of financial statements are as per the accounting standards notified by the Ministry of Corporate affairs issued by the Institute of Chartered Accountants.

(j) Company's wholly owned subsidiary Venus Pharma GmbH is unlisted and incorporated outside India, which is a material subsidiary. Venus does not have any unlisted material subsidiary incorporated in India. Company has framed a material subsidiary policy and uploaded the same on its website www.venusremedies.com

(k) Policy to deal with Related Party Transactions and material subsidiary are uploaded on Company's Website www.venusremedies.com

(l) Certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as director of the company by board/ Ministry of Corporate Affairs or any other statutory authority, has been annexed to the Corporate Governance report.

(m) There is no such instances where where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year 2019-20.

(n) Fees Paid to Statutory Auditors

The details of total fees for all services paid by the

Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all the entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Type of Services	Fees paid (Amt. In ₹) During FY 2018-19	Fees paid (Amt. In ₹) During FY 2019-20
Statutory Audit fee (Including Limited Review report)	5,00,000	5,00,000
Tax Audit fees	1,00,000	1,00,000
Total	6,00,000	6,00,000

- (o) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is a mentioned in Directors report forming part of this annual report.

9. DEMAT SUSPENSE ACCOUNT:

Company does not have any share in demat suspense account or unclaimed suspense account.

10. MEANS OF COMMUNICATION

- Publication of Quarterly results: Generally published in newspaper- Financial express & Business Standard. Financial results are also published on company's website www.venusremedies.com
- Company website also display the official news releases.
- Presentation made to institutional investor or to the analysts: No
- Management Discussion & Analysis :Published as a part of Annual Report under Director's Report.
- Shareholders Information Section Published as part of Annual Report under Corporate Governance Report
- Information to stock exchange : All the material developments in the company informed to stock exchanges where the shares of the company are listed
- Company Website: The Company has its own website viz.
- www.venusremedies.com
- www.vircindia.com, www.
- Venuspharmagmbh.de,

where information relating to financial results, launch of new products and official releases to news agencies are made available.

11. GENERAL SHAREHOLDERS INFORMATION

a) AGM details :

Date : 02.12.2020
Time : 11.30 A.M.
Book Closure Dates : 26.11.2020 to 02.12.2020 (Both days inclusive)

b) Financial Calendar for 2019-20

Tentative dates : 1st April 2020 to 31st March 2021
First Quarter results : On or before August 15, 2020
Second Quarter results : On or before November 15, 2020
Third Quarter results : On or before February 15, 2021
Fourth Quarter results : On or before May 30, 2021

c) Dividend Payment date

The Board has not recommended dividend for the Financial Year 2019-20

d) Listing of Stock Exchange

The Company's securities (Equity share) are listed on the following Stock Exchanges,

Name	Address
BSE Limited	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 023 Scrip Code : 526953
NSE	The National Stock Exchange of India Limited 5th Floor, Exchange Plaza, Bandar (E, Mumbai) Scrip Code : VENUSREM

The Company has paid the annual listing fees for the year 2019-20 the exchanges where securities are listed.

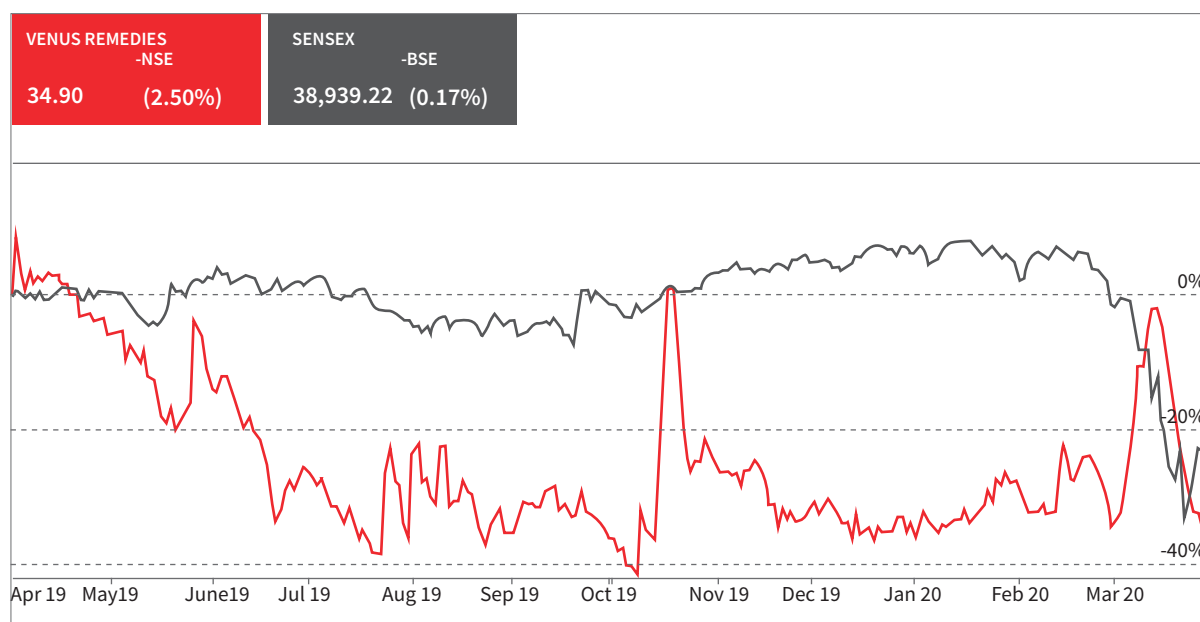
Corporate Identification Number (CIN):

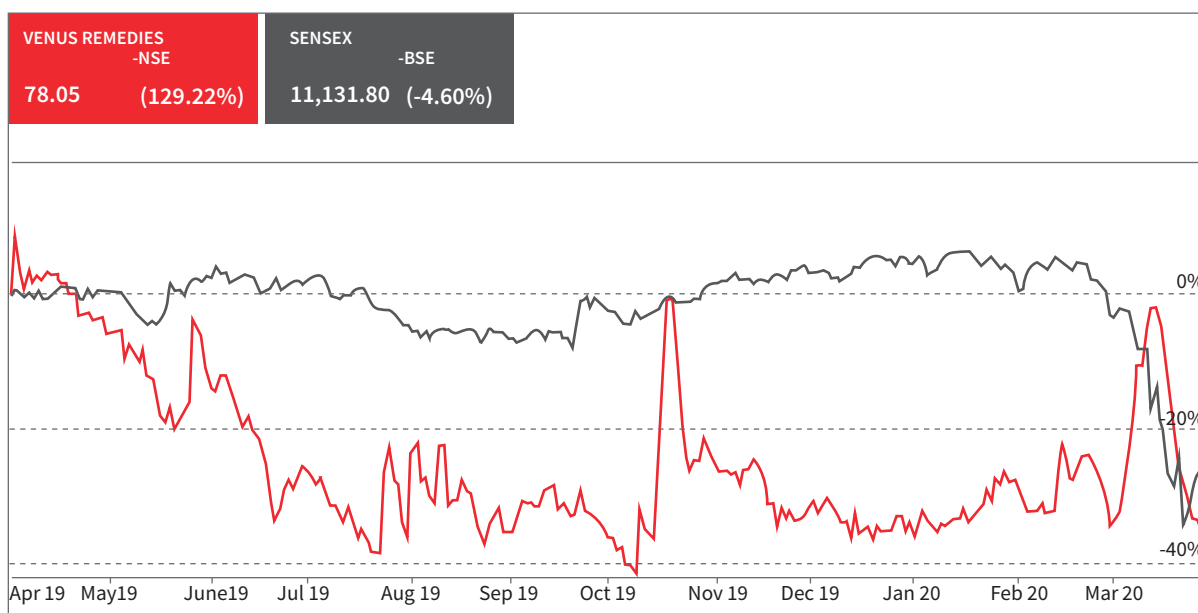
L24232CH1989PLC009705

e) Market Price data

Market price data (High/Low) during each month in the year 2019-20

Month	BSE				NSE			
	High	Low	Total Traded Quantity	Sensex	High	Low	Total Traded Quantity	Nifty 50
April 2019	37.35	31.55	103177	39031.55	37.9	31.6	755826	11748.15
May 2019	33.5	27.1	90805	39714.2	33.85	26.95	535306	11922.8
June 2019	31.95	22	38978	39394.64	31.1	21.5	303615	11788.85
July 2019	29.5	19.6	147096	37481.12	29.65	18.8	777718	11118
August 2019	29.4	20.6	246312	37332.79	29.4	20.65	1415098	11023.25
September 2019	25.7	22.1	86454	38667.33	27.4	21.25	403715	11474.45
October 2019	34.85	19.5	484683	40129.05	35.3	19.6	2523672	11877.45
November 2019	26.8	21.5	98146	40793.81	2.45	22	253899	12056.05
December 2019	24.8	21.15	39827	41253.74	24.55	21.5	169608	12168.45
January 2020	25	21.55	40439	40723.49	25.5	21.6	215289	11962.1
February 2020	27.6	22.2	104230	38297.29	27.8	22.1	508683	11201.75
March 2020	35	21.2	209817	29468.49	34.95	20.45	797010	8597.75





f) Registrar & Transfer Agent

Link Intime India Pvt Limited, Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058
E-mail: delhi@linkintime.com
Phone ; 011 - 4141 0592/93/94, Fax ; 011-41410591

g) Share Transfer System:

In order to make the process easy and fast, the board has delegated the powers to Registrar & Transfer Agent. Share certificates in case of transfer are generally returned to the transferee(s) within a period of 15 days. Company has also formed the Stakeholder Relationship Committee to look into transfer/ transmission/ demat/ remat/ duplicate issue of shares and for traceless of shareholders' complaints.

h) Shareholding Pattern as on 31.03.2020:

Sr. No.	Description	No. of holders	Shares	%
1	Promoters Individuals	2	2130000	17.2582
2	Promoters – Body Corporate	1	2300000	18.6356
3	Promoter Group- Individual	1	50	0.0004
4	Foreign portfolio Investors	1	5000	0.0405
5	Individuals- Public	16149	6640657	53.8054
6	Body Corporate	146	416801	3.3771
7	Foreign Nationals	1	200	0.0016
8	NRIs	341	356190	2.886
9	Clearing Members	29	39202	0.3176
10	HUF	537	338025	2.7388
11	IEPF	1	115863	0.9388
TOTAL		17209	12341988	100

Folios with same PAN are clubbed together.

i) **Distribution of Shareholding as on 31st March 2020**

SHAREHOLDING OF SHARES			NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	SHARES	PERCENTAGE OF TOTAL
1	--	500	15198	86.4800	1994849	16.1631
501	--	1000	1258	7.1583	1010461	8.1872
1001	--	2000	575	3.2719	878119	7.1149
2001	--	3000	196	1.1153	491730	3.9842
3001	--	4000	83	0.4723	297973	2.4143
4001	--	5000	68	0.3869	317053	2.5689
5001	--	10000	108	0.6145	801482	6.4939
10001	--	*****	88	0.5007	6550321	53.0735
Total:			17574	100.0000	12341988	100.0000

j) **Dematerialization of shares and liquidity**

As on 31.03.2020, 12200650 equity shares representing 98.85% of total share capital of the company are in dematerialized form with NSDL and CDSL. Trading of shares only permitted in demat form. 100% promoters holding is in demat form.

Mode	No. of Shares	Percentage
DEMAT	12200650	98.85%
PHYSICAL	141338	1.15%
Total	12341988	100%

National Securities Depository Limited

4th Floor, 'A' Wing, Trade World,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013, India.

E-Mail : info@nsdl.co.in, Website: www.nsdl.co.in

Central Depository Services (India) Limited

Marathon Futurex, A Wing,
25th Floor, Mafarlal Mills Compound,
N.M. Joshi Marg, Lower Parel,
Mumbai-400013
Website: www.centraldepository.com

k) **Unclaimed Dividend**

As per the section 124 of the companies Act, 2013 and rules there under, the company is required to transfer unpaid dividend which have remained unpaid/unclaimed for a period of 7 years from the date of declaration to Investor Education and Protection fund.

The details of unpaid Dividend and their due dates for transfer to Investor Education and Protection fund are as below:

Financial year	Unclaimed dividend as on 31.03.2020	Due date of Transfer to Investor Education and Protection Fund
2012-2013	₹ 867834	29.09.2020

During the year Company has transferred unclaimed dividend for the financial year 2011-12 amounting ₹ 727713.00 to IEPF.

l) **Share Transferred to IEPF:**

During the year Company transferred 12,856 Equity Shares to IEPF on account of dividend unclaimed for seven consecutive years.

m) **Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity:**

The Company has not issued GDRs/ADRs.

n) **Commodity price risk or foreign exchange risk and hedging activities:**

During the year there is no major foreign exchange risk due to the natural hedging on account of imports & exports.

o) **Plant Location**

- Unit-I Plot 51-52, Industrial Area, Phase-I, Panchkula-134 113, India

2. Unit-II: Hill Top Industrial Estate, Jharmajri EPIP, Phase-I (Extn.), Village- Bhatoli Kalan, Baddi (H.P), India- 173 205

P) Address for correspondence

Shareholders are requested to contact the following:

Mrs. Neha Arora

Company Secretary & Compliance Officer

Venus Remedies Limited

51-52, Ind. Area, Ph.-I, Panchkula (Haryana)

Ph-0172-3933090

E.mail: complianceofficer@venusremedies.com,

investorgrievance@venusremedies.com

Website: www.venusremedies.com

Q) Registered Office :

Venus Remedies Limited

SCO 857, 2nd Floor, Cabin No. 10,

NAC, Manimajra, Chandigarh.

12 NOMINATION FACILITY:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit to the company the prescribed Form.

13 COMMUNICATION TO SHAREHOLDERS

All the quarterly reports, financial results, press releases are posted on our website www.venusremedies.com. Financial results are generally published in Business standard and Financial Express news papers.

14 COMPLIANCE WITH MANDATORY REQUIREMENTS

Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (l) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

15 DECLARATION AS REQUIRED UNDER REGULATION 34(3) AND SCHEDULE V OF THE LISTING REGULATIONS

Your Company has made compliance with all the requirement of corporate governance report of sub-paras (2) to (10) of Schedule V under regulations 34(3) and 53(f) of listing regulations.

DECLARATION REGARDING AFFIRMATION TO THE CODE OF CONDUCT

In accordance with regulation 26(3) of SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management personnel of the Company have affirmed compliance to the Venus Remedies Limited Code of Conduct for the financial year ended on 31.03.2020.

For Venus Remedies Limited

Sd/-

Pawan Chaudhary

(Chairman & Managing Director)

Date : 06.11.2020

Place: Panchkula

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of the Board,

Venus Remedies Limited

We have examined the compliance of conditions of Corporate Governance by Venus Remedies Ltd. for the year ended 31st March, 2020, as stipulated in SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in the said regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance.

Based on the certificate received from Share Transfer Agent and the minutes of the Share Transfer and Shareholders' Grievance Committee, we state that no investor grievance is pending for a period exceeding six months.

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

For P. Chadha & Associates
Company Secretaries

Sd/-
Prince chadha
Membership no.

Date : 06.11.2020

Place: Chandigarh

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To,

The Board of Directors

Venus Remedies Limited

SCO-857, C. No. 10, 2nd Floor,
NAC, Manimajra, Chandigarh-160101

I/We have examined the relevant registers, records, forms, returns and disclosures received from Venus Remedies Limited having CIN L24232CH1989PLC009705 and having registered office at SCO-857, C. No. 10, 2nd Floor, NAC, Manimajra Chandigarh-160101, (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 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.

Sr. No.	Name of Director	DIN
1	Mr. Pawan Chaudhary	00435503
2	Dr. (Mrs.) Manu Chaudhary	00435834
3	Mr. Peeyush Jain	00440361
4	Mr. Ashutosh Jain	01336895
5	Dr. Suresh Kumar Chadha	00449766
6	*Dr. Rupinder Tewari	07009485
7	Mr. Pravindra Singh Chaudhan	08068504
8	Dr. Gilbert Wenzel	01492035
9.	**Mr. Brij Mohan Sharma	08532224
10	*** Mr. Navdeep Sud	08764371

* Resigned w.e.f. 24.05.2019

** Resigned w.e.f. 24.02.2020

***w.e.f 20.06.2020

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

For **P. Chadha & Associates**

Company Secretaries

Sd/-

Date : 06.11.2020

Place: Chandigarh

Prince chadha

Membership no.32856

STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of

VENUS REMEDIES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

QUALIFIED OPINION

We have audited the accompanying Standalone Ind AS financial statements of VENUS REMEDIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR QUALIFIED OPINION

(a) The lenders of the company has approved corporate debt restructuring package of the company in financial year 2014-15. However, the company has defaulted in repayment of borrowing to lenders and was unable to comply with terms of repayment approved by lenders in corporate debt restructuring package.

The Company has delayed in repayment of loans or borrowings to banks which were persisting as on 31st March, 2020. Total of ₹ 6319 lakh is the outstanding amount for repayment which includes principal ₹ 3978 lakh and Interest ₹ 2341 lakh as on 31st March 2020.

The company has not provided interest expenses of ₹ 1214.89 lakh the Financial Year 2019-20 and ₹ 1133.94 lakh for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement. As a result, interest expenses of ₹ 1214.89 lakh have been less provided in the books for the year ended 31st March, 2020.

(Refer Note no. 30 to Standalone Ind AS Financial Statements)

(b) The Company has not translated carrying balances of Foreign Currency Convertible bond at rates prevalent as on 31st March, 2020. Finance cost of ₹ 409.14 2020 have been less provided in the books for the year ended 31st March, 2020.

Further, the company has not provided interest expenses of ₹ 189.63 lakh on Foreign Currency Convertible bond for the year ended 31st March, 2020. As a result, interest expenses of ₹ 189.63 lakh have been less provided in the books for the Year ended 31st March, 2020.

Interest expense of ₹ 686 lakh provided for previous years have been reversed in the year ended 31st March, 2020 and shown in the statement of profit & Loss under exceptional item.

(Refer Note No-37)

We further report that the matter referred in point 3(a) above was also qualified in the audit report on the standalone financial statement for the year ended 31st March, 2019.

We further report had the qualification made by us in paragraph point 3 (a) and (b) above would have been considered during the Year ended 31st March, 2020, finance costs would have been ₹ 3118.23 lakh for the Year ended 31st March, 2020 (as against the reported figure of ₹ 1304.57 lakh for the Year ended 31st March, 2020), the loss for the Year ended 31st March, 2020 would have been ₹ (3322.36) lakh (as against the reported figure of Loss of ₹ (822.69) lakh for the Year ended 31st March, 2020) Other Financial Liability(Current) as on 31st March, 2020 would have been ₹ 10569.67 lakh (as against the reported figure of ₹ 9354.78 lakh) and Long term Borrowings as on 31st March, 2020 would have been ₹ 8510.84 lakh (as against the reported figure of ₹ 7226.07 lakh).

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

KEY AUDIT MATTERS

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

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

INFORMATION OTHER THAN THE STANDALONE IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Ind AS financial statements and our auditors' report thereon.

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

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Standalone Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

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

decisions of users taken on the basis of these Standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India 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, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) Except for the effects of the matter described in the "Basis for Qualified opinion" paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- (d) Except for the effects of the matter described in the “Basis for Qualified opinion” paragraph above, in our opinion, the aforesaid Standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the ‘Basis for Qualified Opinion’ paragraph above.
- (h) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st, March 2020 on its financial position in its Standalone Ind AS financial statements - Refer Note 49 to the Standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditors’ Report under section 197(16):
- (i) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration of ₹ 195.14 lakh during the year ended 31st March, 2020 (P.Y-₹ 194.05 lakh) for which the company has filed applications to seek the approval from Central Government under section 197 of the Companies Act, 2013.
- The central government has communicated that the application made to it shall abate considering the Companies (Amendment) Act, 2017 and closed the applications. The central government also clarified that the onus of compliance with provisions of the Companies Act, 2013 as amended vide the Companies (Amendment) Act, 2017 lies with the company.
- The Company is yet to take steps to comply the provisions and the said managerial remuneration so paid/provided is subject to the approvals to be obtained in accordance with the provisions of section 197 of the Companies Act, 2013 as amended vide the Companies (Amendment) Act, 2017 till date. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **Vinod Kumar & Associates**
Chartered Accountants
FRN-002304N

Mukesh Dadhich
Partner
M.No. 511741
UDIN: 20511741AAAAA1K9282

Date: 21st August, 2020
Place: Panchkula

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the Standalone Ind AS financial statements for the year ended 31st March 2020, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on physical verification as confirmed by the management. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships and other parties, mentioned in the register maintained under section 189 of the Companies Act, 2013. Since, the company has not granted any loans, provisions of clause (iii) (a) to (iii) (c) of the Order are not applicable to the Company.
- (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, securities and guarantees given.
- (v) The Company has not accepted any deposit from the public. Thus, paragraph 3(v) of the Order is not applicable.
- (vi) On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the central government under section 148 of the act in respect of the products of "the company" covered under the rules under said section have been maintained. However we are neither required to carry out nor have carried out any detailed examination of such accounts and records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, duty of excise, service tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, Goods and Service Tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable
- (b) According to the information and explanations and records of the company, the dues outstanding of income-tax, sales- tax, wealth-tax, service tax, Goods and Service Tax, custom duty, excise duty, value added tax and cess which have not been deposited by the company on account of any dispute are as follow:

Nature of statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Demand Amount (₹ In lakh)	Remarks
Income Tax Act, 1961	Income Tax	AY 2011-12	Commissioner of Income Tax Appeals	16.34	The Disputed demand of ₹ 16.34 lakh was deducted by the Income Tax Department from refund due to the Company.

- (viii) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of loans or borrowings to banks which were persisting as on 31 st March, 2020 are as under.

₹ In lakh

Name of the Bank	Period of Default*			TOTAL default amount	Interest**
	0-1 years	1-2 years	2-3 years		
Amount of default as at the balance sheet date*					
CORPORATION BANK (now Union Bank of India)	241.01	212.61	20.44	474.06	535.98
DENA BANK (now Bank of Baroda)	232.76	165.99	7.87	406.62	-
EXIM BANK	625.57	726	622.40	1973.97	1793.57
SBI	526.13	582.68	14.35	1123.16	11.14

*Based on Corporate debt restructuring approved by bank.

** Period of default is unascertainable, based on information provided to us.

The Company did not have any dues to debenture holders during the year.

- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise 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 Order is not applicable to the Company.
- (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) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided managerial remuneration of ₹ 195.15 lakh during the year ended 31st March, 2020 (P.Y-₹ 194.05 lakh) in for which the company has filed applications to seek the approval from Central Government under section 197 of the Companies Act, 2013.
- The central government has communicated that the application made to it shall abate considering the Companies (Amendment) Act, 2017 and closed the applications. The central government also clarified that the onus of compliance with provisions of the Companies Act, 2013 as amended vide the Companies (Amendment) Act, 2017 lies with the company.
- The Company is yet to take steps to comply the provisions and the said managerial remuneration so paid/ provided is subject to the approvals to be obtained in accordance with the provisions of section 197 of the Companies Act, 2013 as amended vide the Companies (Amendment) Act, 2017 till date.
- (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 Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) 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 or private placement of shares or fully or partly convertible debentures during the year.
- (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 Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Vinod Kumar & Associates**

Chartered Accountants

FRN-002304N

Mukesh Dadhich

Partner

M.No. 511741

Date: 21st August, 2020

Place: Panchkula

UDIN: 20511741AAAA1K9282

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to Standalone Ind AS financial statements of VENUS REMEDIES LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both

applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to Standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to Standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE IND AS FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Ind AS financial statements and such internal financial controls with reference to Standalone Ind AS financial statements were operating effectively as at 31st March 2020, based on the internal control with reference to Standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Vinod Kumar & Associates**
Chartered Accountants
FRN-002304N

Mukesh Dadhich
Partner

M.No. 511741
UDIN: 20511741AAAA1K9282

Date: 21st August, 2020
Place: Panchkula

BALANCE SHEET

Standalone Balance Sheet at 31st March, 2020

(₹ in lakh)

Particulars	Note No.	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	2 (A)	16740.90	18015.64
(b) Capital Work In Progress	2 (B)	2463.10	6476.42
(c) Intangible Assets	2 (C)	10406.37	16673.15
(d) Financial Assets			
(I) Investment	3	13.89	13.89
(II) Other Non Current Financial Assets	4	3157.05	3048.18
(e) Other non - current assets	5	3251.20	3629.37
Total Non- Current Assets		36032.51	47856.65
(2) Current Assets			
(a) Inventories	6	13643.98	14093.70
(b) Financial Assets			
(i) Trade Receivables	7	2977.91	3139.37
(ii) Cash and Cash Equivalents	8	125.78	49.97
(iii) Bank balances other than (ii) above	9	18.26	77.72
(iv) Other Financial Assets	10	55.27	623.62
(C) Current Tax Assets	11	2853.80	2846.11
(D) Other Current Assets	12	2913.87	4528.40
(E) Assets held for sale	13	5200.00	-
Total Current Assets		27788.87	25358.90
Total Assets		63821.38	73215.54
EQUITY AND LIABILITY			
Equity			
(a) Equity Share Capital	14	1234.20	1234.20
(b) Other Equity	15	31991.15	32860.99
Total Equity		33225.35	34095.19
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	7226.07	11608.43
(ii) Other Financial Liabilities	17	29.35	45.43
(b) Provisions	18	662.95	532.42
(c) Deferred Tax Liabilities (Net)	19	1684.60	1488.22
Total Non- Current Liabilities		9602.97	13674.50
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	8142.34	10891.86
(ii) Trade Payables	21		
(a) Total outstanding dues of micro enterprises and small enterprises		176.19	292.57
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3220.00	3048.68
(iii) Other Financial Liabilities	22	9354.78	10670.06
(b) Other Current Liabilities	23	39.13	90.83
(c) Provisions	24	60.62	451.86
Total Current Liabilities		20993.06	25445.86
Total Equity and Liability		63821.38	73215.54

Significant Accounting Policies and Notes on Accounts 1 to 51

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

FOR **VINOD KUMAR & ASSOCIATES**

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing
Director
DIN: 00440361

(Neha Kodan)
Company Secretary

(Pawan Chaudhary)
Chairman cum
Managing Director
DIN: 00435503

(Ajeet Kapoor)
CGM Accounts

PROFIT & LOSS

Standalone Statement of Profit & Loss for the period ended 31st March, 2020

(₹ in lakh)

Particulars	Note No.	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
I Revenue from operations	25	32,235.97	30184.17
II Other Income	26	357.92	450.67
III Total Revenue (I +II)		32,593.89	30634.84
IV Expenses:			
Cost of materials consumed	27	17,059.69	18976.39
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	28	621.14	(798.05)
Employee Benefit Expenses	29	3,378.78	3026.11
Finance Costs	30	1,304.57	2514.62
Depreciation and Amortization Expenses	31	3,105.14	3295.26
Selling, Manufacturing & Administration Expenses	32	5,444.43	4085.33
Research & Development Expenses	33	1,425.23	1465.30
Total Expenses (IV)		32,338.98	32564.97
V Profit before exceptional items and Taxes	(III - IV)	254.91	(1930.13)
VI Exceptional Items	34	(881.21)	896.06
VII Profit before Taxes		(626.30)	(2826.19)
Income Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		196.39	(115.11)
VIII Net Profit/(Loss) for the period		(822.69)	(2711.08)
IX Other Comprehensive Income			
(I) Items that will not be classified to Profit & loss accounts net of Income tax		(47.15)	6.97
(I) Items that will be classified to Profit & loss accounts net of Income tax		-	-
Total Comprehensive income for the period		(869.84)	(2704.11)
X Earning per equity share:			
(1) Basic		(6.67)	(21.97)
(2) Diluted		(6.67)	(21.97)

Notes and Significant Accounting Policies referred to above and annexed there to form an Integral part of Statement of Profit & Loss. This is the Statement of Profit & Loss referred to in our Report of even date.

FOR **VINOD KUMAR & ASSOCIATES**

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)
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Director
DIN: 00440361

(Pawan Chaudhary)
Chairman cum
Managing Director
DIN: 00435503

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
CGM Accounts

CHANGES IN EQUITY

STANDALONE STATEMENT OF CHANGES IN EQUITY for the period ended 31st March, 2020

Sr. No	Particulars	31.03.2020		31.03.2019	
		No. of Shares	₹ In lakh	No. of Shares	₹ In lakh
A	Equity Share Capital (Refer Note. 14)				
	Balance at the beginning of the reporting period	12341988	1234.20	12341988	1234.20
	Changes in equity share capital during the year			-	-
	Balance at the end of the reporting period	12341988	1234.20	12341988	1234.20

B. Other Equity (Refer Note. 15)

PARTICULARS	RESERVE AND SURPLUS			OTHER COMPREHENSIVE INCOME	TOTAL OTHER EQUITY
	Securities Premium	General Reserve	Retained Earning	Remeasurement of Net Dues Benefit	
Balance at 01.04.2019	7560.08	21146.30	4154.61	-	32860.99
Profit for the Year			(822.69)		(822.69)
Securities premium collected on share issue					
Movement in other comprehensive income				(47.15)	(47.15)
Movement in retained earnings			(47.15)	47.15	-
Balance at 31.03.2020	7560.08	21146.30	3284.77	-	31991.15

Nature and purpose of each reserve

- Securities Premium- The amount received in excess of the face value of equity is recognized in securities premium. These will be utilized in accordance with the provision of the companies act 2013.
- General Reserve- The reserve arises on transfer portion of the net profit pursuant of the earlier of the companies act 1956. Mandatory transfer to general reserve is not required under the companies act 2013.
- Retained Earnings- Retained earning is the accumulated amount of profit or loss earned by the company till date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)

Partner
M. No. 511741

PLACE : PANCHKULA

DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)

Deputy Managing Director
DIN: 00440361

(Neha Kodan)

Company Secretary

(Pawan Chaudhary)

Chairman cum Managing Director
DIN: 00435503

(Ajeet Kapoor)

CGM Accounts

CASH FLOW

STANDALONE STATEMENT OF CASH FLOW for the period ended 31st March, 2020

Sr. No	PARTICULARS	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax & exceptional items	254.91	(1,930.13)
	Adjustment for Depreciation	3,105.14	3,295.26
	Interest Expense	1,141.46	2,206.12
	Increase in long term provision for gratuity and leave encashment	83.38	89.63
	Provision for doubtful debts	-	294.70
	Adjustment reversing effect on profit of non-cash non-operating activities		175.15
	Exchange Fluctuation	(258.39)	(111.89)
	Interest Received	(33.08)	(29.03)
	Operating Profit before working capital changes	4,293.42	3,989.80
	Adjustments for increase /decrease in Current Assets	3,044.76	(1,932.18)
	Decrease / Increase in Current Liabilities/ Provisions	(1,066.91)	2,307.16
	Extraordinary items	1,444.00	
	Net Cash Flow from operating activities (A)	7,715.27	4,364.78
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase/Sale /Impairment of PPE	(766.36)	(991.31)
	Interest Received	33.08	29.03
	Proceeds from loans and advances	269.29	(164.95)
	Net Cash Flow from Investing Activities (B)	(463.99)	(1,127.23)
C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Security Deposit (Net)	(16.08)	(4.79)
	Proceeds from Term Loan (Net)	(3,327.87)	(431.77)
	Proceeds from Short term Borrowing(Net)	(2,749.52)	(830.83)
	Interest Expense	(1,141.46)	(2,206.12)
	Net Cash from Financing Activities (C)	(7,234.93)	(3,473.51)
	Net Increase in Cash & Cash Equivalents (A+B+C)	16.35	(235.96)
	Cash & Cash Equivalents as at 31.03.2019	127.69	
	Cash & Cash Equivalents as at 31.03.2020(Refer Note No. 8 – 9)	144.04	
	Cash & Cash Equivalents as at 31.03.2018		363.65
	Cash & Cash Equivalents as at 31.03.2019		127.69

FOR **VINOD KUMAR & ASSOCIATES**

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing
Director
DIN: 00440361

(Pawan Chaudhary)
Chairman cum
Managing Director
DIN: 00435503

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
CGM Accounts

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

NOTE NO. -1

1. CORPORATE INFORMATION

Venus Remedies Limited (the 'Company') is a public limited Company with registered office situated at Chandigarh and is listed on the Bombay Stock Exchange Limited (BSE), National Stock Exchange of India (NSE). The Company is one of the handful player in pharmaceutical sector to launch world global injectable manufacturers. It has world-class manufacturing facilities in Panchkula and Baddi (in India) and Werne (in Germany) and research and development center in Venus Medicine Research Centre (in India)

2. BASIS OF ACCOUNTING AND STATEMENT OF COMPLIANCE

These standalone financial statements of the company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the Ind As as notified under section 133 of the Companies Act 2013 (the Act read with rule 4 of the Companies (Indian Accounting Standards) Rules 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These standalone financial statements were authorized for issue by the company's Board of Directors on July 31, 2020.

3. FUNCTIONAL AND PRESENTATION CURRENCY

These standalone financial statements are presented in Indian rupees which is the functional currency of the Company. The figures in the Balance Sheet and Profit & Loss Account for the year have been rounded off to nearest lakh.

4. BASIS OF MEASUREMENT

These standalone financial statements are prepared under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below and on the basis of going concern. All assets and liabilities have been classified

as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

5. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that estimates used in the preparation of the financial statement are prudent and reasonable. Examples of such estimates include valuation of inventories, sales return, employees costs, assessment of recoverable amounts of deferred tax assets, provisions against litigations and contingencies.

- **Inventories**

The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

- **Recoverability of advances / receivables**

At each balance sheet date, based on historical default rates observed over expected life, the Management assesses the expected credit losses on outstanding receivables and advances.

- **Impairment of investments in subsidiaries**

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

- **Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company by

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

6. RECENT ACCOUNTING PRONOUNCEMENTS

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

7. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

a. Current / Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set-out in Schedule 3 of the Act. Based on the nature of products & time between the acquisition of the assets for processing and their realisation in cash & cash equivalents, the company has ascertained its operating cycle upto 12 months for the purpose of current/non-current classification of assets & liabilities

b. Property, Plant and Equipment & Depreciation (IND AS 16)

- Items of property, Plant and equipment at cost less accumulated depreciation and impairment losses, if any. The 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.
- Expenses incurred up to date of putting them in commercial use.
- The Company is following the useful life method of depreciation as per the useful life specified Schedule II to the Act. The Carrying amount of assets is being

depreciated over the remaining useful life of the assets. On assets sold, discarded etc, during the year depreciation is provided up to the date of sale/discard. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

- The residual value and useful life is reviewed at each financial year.
- Carrying value of PPE are reviewed for impairment when events or changes in circumstances indicates that the carrying value may not be recoverable.
- Capital work in progress in respect of assets which are not ready for their intended use are carried at cost comprising of direct costs related incidental expenses and attributable interest.

c. Intangible Assets (IND AS 38)

- Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The company amortizes its intangible assets over a period of 20 years.
- The cost of an Intangible Assets comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use.
- Research cost & related expenditure are recognised in Statement of Profit and Loss in the period in which such expenditure is incurred.
- Intangible Assets with finite lives are amortized on a straight-line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Standalone Statement of Profit and Loss.

d. Lease (IND AS 116)

IND AS 116 has replaced the existing leases standard, Ind AS 17 Leases with the effect from 01.04.2019.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall

include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease

The Company has evaluated the requirements of the new standard-IND AS 116. There is no effect and impact on the financial statement

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

e. Investment in Subsidiary(IND AS 27)

The company has elected to recognise its Investments in equity instruments in subsidiaries at cost less impairment loss ,if any in accordance with option available in Ind AS 27 'Separate Financial Statements'.

f. Inventories(IND AS 2)

Method of valuation of inventories adopted are as under:-

- Stock Raw Material and Packing Material: - At cost price.
- Stock of Work-in-Progress:- At material cost plus apportioned manufacturing overheads.
- Stock of Finished Goods:- At material cost plus apportioned manufacturing overheads and other costs incurred in bringing the inventories to their present location and condition or Net Realizable value, whichever is lower.
- Spares and consumables: - At cost.

g. Trade Receivables(IND AS 109)

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109 'Financial Instruments', which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

h. Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

i. Financial Instruments (IND AS 109)

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

Initial recognition and measurement

- Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs through profit or loss..
- An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue cost.

Subsequent measurement of financial assets and financial liabilities:

- All financial liabilities and Financial Assets are subsequently measured at Fair value through profit & loss.

Derecognition

- The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.
- The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.
- The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid , including any noncash assets transferred or liabilities assumed , shall be recognised in profit & loss

j. Revenue Recognition (IND AS 115)

- Revenue is recognised recognised when control of the products being sold has transferred to the customer and when there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance. This is considered the appropriate point

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

where the performance obligations in our contracts are satisfied as company no longer have control over the inventory Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Indirect Taxes. No element of financing is present in the pricing arrangement. Settlement terms range from cash-on-delivery to credit terms ranging up to 90 days.

- Dividend income is recognized at the time when the right to receive is established by the entity.
- Other income is accounted for on mercantile basis unless otherwise stated in other IND AS.

k. Employee Benefits(IND AS-19)

- Current employee benefits
 - a) Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled.
 - b) Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.
- Post Retirement Employee Benefits
 - a) Post-retirement benefits plan are determined on the basis of an actuary valuation by an independent actuary. Liability recognised in the balance sheet in respect of defined benefit obligation is the present value of the defined benefit obligation at the end of reporting period.
 - b) The company has adopted a policy of compensated earned leave which are accumulating in nature and is determined by actuarial valuation at each reporting date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date.

- c) Gratuity liability accounted for on the basis of actuarial valuation as per Ind AS 19 'Employee Benefits'. Liability recognized in the Standalone Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss. Actuarial gain / loss pertaining to gratuity are accounted for as OCI.

l. Impairment of Assets(IND AS 36)

The Company assess for impairment of all its Tangible and Intangible assets on annual basis and an assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired if there is any indication that asset may be impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. Accounting policies not specially referred to are consistent with generally accepted accounting principles.

m. Foreign Currency Transactions(IND AS-21)

- Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.
- Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.
- Any income/expense arising from foreign currency transactions is dealt in the statement of profit and loss account for the year.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

n. Borrowing Cost(IND AS 23)

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of costs of such assets till such time as the assets is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which incurred.

o. Government Grants(IND AS 20)

- The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to revenue are recognized on a systematic basis in the statement of Profit and Loss over the period necessary to match them with the related costs which they are intended to compensate.
- Income from export incentives such as duty drawback, merchandise export import scheme are recognized on accrual basis

p. Provisions, Contingent Liabilities & Contingent Assets(IND AS 37)

- Provisions involving substantial degree of estimation in management are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes for
 - Possible obligations which will be confirmed only by the future events not wholly within the control of the company or
 - Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

q. Income Tax (IND AS 12)

Income tax expenses comprises current and deferred tax. It is recognized in statement of profit and loss

- Current Tax: Provision is made for income tax based on the liability as computed after taking credit for allowance and exemptions. Adjustments in books are made only after the completion of the assessment.
- Deferred Tax: Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for the taxation purposes. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.
- MAT: Minimum Alternative Tax payable under the provisions of the income tax Act, 1961 is recognized as an asset in the year in which credit becomes eligible and is set off in the year in which the Company becomes liable to pay income taxes at the enacted tax rates and shall be reversed in the year in which it lapses.

r. Non -current Assets Held for Sale (Ind AS 105)

Non-current assets or disposal groups comprising and liabilities are classified as 'held for sale' when all the following criteria are met:

- decision has been made to sell,
- the assets are available for immediate sale in its present condition,
- the assets are being actively marketed and
- sale has been agreed or is expected to be concluded within 12 months of the Balance sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortise.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

s. Earning per Share (Ind AS -33)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares, unless the effect of potential dilutive equity shares is antidilutive.

t. Operating Cycle:

Based on the nature of product /activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and Non- current.

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 2 (A) PROPERTY PLANT & EQUIPMENTS

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2020	WDV as on 31.03.2019
I Tangible Assets											
1	Land	922.94	-	-	922.94	-	-	-	-	922.94	922.94
2	Building	5,231.79	75.10	-	5,306.89	1,725.25	181.68	-	1,906.93	3,399.96	3,506.54
3	Building for R & D	1,302.70	-	-	1,302.70	510.39	44.69	-	555.08	747.62	792.31
4	Plant & Machinery	9,802.20	260.43	105.34	9,957.29	4,231.66	530.46	71.71	4,690.41	5,266.88	5,570.54
5	R & D Pilot Plant	1,583.82	33.86	-	1,617.69	533.73	83.90	-	617.63	1,000.06	1,050.10
6	R & D Equipment	5,671.25	68.54	-	5,739.79	2,683.49	395.66	-	3,079.15	2,660.64	2,987.76
7	Computer, I.T and Communication Equipment	3,227.73	307.59	0.38	3,534.95	2,754.89	207.91	0.38	2,962.42	572.53	472.84
8	D G Set	215.85	4.29	2.35	217.79	200.40	13.30	2.35	211.35	6.44	15.44
9	Electrical Installation	1,045.28	0.65	-	1,045.93	764.88	87.23	-	852.11	193.82	280.40
10	Furniture & Fixture	596.44	3.68	5.61	594.51	405.62	55.77	5.61	455.78	138.73	190.83
11	Lab Equipment	3,118.79	13.26	-	3,132.05	1,732.65	312.12	-	2,044.77	1,087.27	1,386.13
12	Office Equipment/ Security Equipment	590.00	1.59	-	591.59	513.01	36.13	-	549.15	42.45	76.99
13	Pollution Control	632.87	-	-	632.87	238.21	32.82	-	271.03	361.84	394.66
14	Vehicles	315.64	-	15.56	300.08	304.01	2.97	14.49	292.49	7.58	11.63
15	Other Fixed Assets	716.06	29.33	0.50	744.89	359.52	53.73	0.50	412.76	332.13	356.53
TOTAL		34973.36	798.32	129.73	35641.96	16957.72	2038.36	95.03	18901.06	16740.90	18015.64
(PREVIOUS YEAR)		34468.00	1015.43	510.06	34973.36	15405.66	2038.01	485.95	16957.72	18015.64	19062.34

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 2 (B) CAPITAL WORK-IN-PROGRESS

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2020	WDV as on 31.03.2019
II Capital Work-in-progress											
1	Building Under Construction	6476.42	-	4016.06						2460.36	6476.42
2	Plant & Machinery	-	0.78	-						0.78	-
3	R & D Equipment	-	0.03	-						0.03	-
4	Other	-	1.93	-						1.93	-
	TOTAL	6476.42	2.74	4016.06						2463.10	6476.42
	(PREVIOUS YEAR)	6476.42	-	-						6476.42	6476.42

NOTE : 2 (C) INTANGIBLE ASSETS

III Intangible Assets											
1	Patent IPR Technologies	21822.86	-	6121.49	15701.36	10513.32	717.80	2,600.15	8630.97	7070.39	11309.54
2	Product & Process Development	10609.70	-	2,976.11	7633.59	5246.09	348.98	1,297.46	4297.61	3335.98	5363.61
	TOTAL	32432.56	-	9097.60	23334.95	15759.41	1066.78	3897.60	12928.58	10406.37	16673.15
	(PREVIOUS YEAR)	32432.56	-	-	32432.56	14502.16	1257.25	-	15759.41	16673.15	17930.40

2 (B) The capital work in progress consists of new office building under construction .The construction work on the building was stopped in previous years. During the year company has carried out impairment study of capital work in progress . As per the impairment study report, there is impairment loss of ₹ 4016.06 lakh shown in statement of Profit & Loss under Exceptional item on impairment of Capital work in progress

2 (C) During the year, the Company had identified certain patents of ₹ 9097.60 lakh (NBV: ₹ 5200.00 lakh), which has been moved from Intangible Assets to Assets held for sale. The Company expects to divest these assets over the course of next 12 months.

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 3 INVESTMENT

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Investment in Equity instruments Wholly owned subsidiary (At cost- Unquoted) Venus Pharma GMBH	13.89	13.89
	Total	13.89	13.89

NOTE : 4 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Share Application Money In WOS (Venus Pharma GmbH)	2859.72	2859.72
2	Security Deposit	297.33	188.45
	Total	3157.05	3048.18

NOTE : 5 OTHER NON CURRENT ASSETS

(Unsecured, Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Advances For Capital Goods	16.43	394.60
2	Advance For In Licensing of Technology	3234.77	3234.77
	Total	3251.20	3629.37

NOTE: 6 INVENTORIES

(Unsecured, Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Raw Material	8641.97	8079.87
2	Work-in-Progress	3276.06	3282.28
3	Finished Goods	1708.49	2323.41
4	Consumables	17.46	8.79
5	Goods-in-transit		
	a) Raw Material	-	380.63
	b) Packing Material	-	18.72
	Total	13643.98	14093.70

6.1 Inventory is hypothecated to Bank for working capital facility

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 7 TRADE RECEIVABLES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Trade receivable Considered good – Unsecured	2977.91	3139.37
2	Trade receivable Considered doubtful– Unsecured	-	294.70
	Less: Provision for doubtful debts	-	294.70
	Total	-	-
	Total (1+2)	2977.91	3139.37

7.1 Includes Dues from Related Party. Refer Note No. 45

7.2 Trade Receivable is hypothecated to Bank for working capital facility

NOTE : 8 CASH & CASH EQUIVALENT

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Balances with Banks		
	In current Accounts	119.14	45.18
2	Cash Balance	4.35	2.68
3	Foreign Exchange in Hand	2.29	2.11
	Total	125.78	49.97

NOTE : 9 OTHER BANK BALANCES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Fixed Deposits		
	Fixed Deposit being Margin Money	10.00	62.48
2	Bank Balance		
	Unclaimed Dividend	8.26	15.24
	Total	18.26	77.72

9.1 In fixed deposit Accounts with original maturity less than 3 months amounting to ₹ 6.95 lakh

9.2 Fixed Deposits of ₹ 10.00 (Previous year ₹ 62.48) is held with bank as margin money for Bank guarantees/Letter of Credit

NOTE : 10 OTHER FINANCIAL ASSETS

(Unsecured, Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Advance to Staff	7.07	4.35
2	Other Loans & Advances	48.20	619.27
	Total	55.27	623.62

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 11 CURRENT TAX ASSETS

(Unsecured, Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Tax Credit Receivable	2818.23	2818.23
2	TDS Receivables	35.57	27.88
	Total	2853.80	2846.11

NOTE : 12 OTHER CURRENT ASSETS

(Unsecured, Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Balance with Government Authorities	1352.37	2507.79
2	Advance to suppliers	1189.14	1505.32
3	Prepaid expenses	29.74	109.11
4	Export incentive Recoverable	342.62	406.18
	Total	2913.87	4528.40

NOTE : 13 ASSETS HELD FOR SALE

(Unsecured, Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Product & Process Development	1678.65	-
2	Patent IPR Technologies	3521.35	-
	Total	5200.00	-

13.1 During the year, the Company had identified certain patents of ₹ 9097.60 lakh (NBV: ₹ 5200.00 lakh), which has been moved from Intangible Assets to Assets held for sale. The Company expects to divest these assets over the course of next 12 month. During the year, the Company signed for sale of a novel and patented anti-infective product, Elores with Cipla Limited. The deal includes the transfer of intellectual Property rights such as trademarks, design and know-how related to the brand. The transaction is subject to fulfilment of certain completion conditions and both parties would be working together to complete this. The identifiable assets as per the term of the deal have been recognised and classified as Assets held for sale as per IND AS -105

NOTE : 14 EQUITY SHARE CAPITAL

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	AUTHORIZED SHARE CAPITAL		
	20000000 Equity Shares of ₹ 10/- each. (Previous Year 20000000 Equity Shares of ₹ 10/- each)	2,000.00	2,000.00
		2,000.00	2000.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL		
	12341988 Equity Shares of ₹ 10/- each, Fully paid up (Previous year 12341988 Equity Shares of 10/- each)	1,234.20	1234.20
	Total	1,234.20	1234.20

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

14.1 The details of Shareholders holding more than 5% shares:

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
		No. of Shares (%)	No. of Shares (%)
1	Sunev Pharma Solutions Limited	2300000 (18.64%)	2300000 (18.64%)
2	Pawan Chaudhary	987000 (8.00%)	1187000 (9.62%)
3	Manu Chaudhary	1143000 (9.26%)	1143000 (9.26%)

14.2 The reconciliation of the number of shares outstanding is set out below:

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
		No. of Shares (In lakh)	No. of Shares (In lakh)
1	Equity Shares at the beginning of the year	123.42	123.42
2	Add: Shares issued during the year	-	-
	Equity Shares at the end of the year	123.42	123.42

Rights, Preference and restriction attached to shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors are subject to shareholders approval in ensuing AGM except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amount in proportion to their shareholding.

NOTE : 15 OTHER EQUITY

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Securities Premium		
	As per last Balance Sheet	7,560.08	7560.08
	Total A	7,560.08	7560.08
2	General Reserve		
	As per last Balance Sheet	21,146.30	21146.30
	Total B	21,146.30	21146.30
3	Retained Earnings		
	As per last Balance Sheet	4,154.61	6858.72
	Add: Profit for the period	(822.69)	(2711.08)
	Add : Reclassification of actuarial gains/ loss in respect of employee benefit scheme as other comprehensive Income	(47.15)	6.97
	Total C	3,284.77	4154.61
	Total (a+b+c)	31,991.15	32860.99

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 16 BORROWINGS

A. Secured Loans (₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Term Loans (Secured by first charge on Fixed Assets & second charge on current assets of the company & personal guarantee of the promoter directors)	2,392.00	6086.89
2	Long Term Maturities of Vehicle loan obligation (Secured by way of hypothecation vehicle financed)	-	1.47
Total		2,392.00	6088.36

B. Unsecured Loans (₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Foreign Currency Convertible Bonds	3,867.89	4553.89
2	Loan from Directors	966.19	966.19
Total		4,834.08	5520.07

16.B.1 Refer Note-37

NOTE : 17 OTHER FINANCIAL LIABILITIES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Security Received	29.35	45.43
Total		29.35	45.43

NOTE : 18 PROVISIONS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Provision For Employees Benefit		
	Provision for Gratuity	423.13	331.12
	Provision for Leave Encashment	239.82	201.30
Total		662.95	532.42

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 19 DEFERRED TAX LIABILITY (NET)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Deferred Tax Liability	1,684.60	1488.22
	Total	1,684.60	1488.22
	Component of Deferred tax (Asset)/ Liabilities		
	Deferred tax (Assets)/Liabilities in relation to		
	Opening Balance as at 31.03.2019		
	-Property Plant & Equipment	2,710.08	
	-Provisions	(1,221.86)	
	Total	1,488.22	
	Changes Recognized in Profit & Loss account		
	-Property Plant & Equipment	(235.09)	
	-Provisions	431.47	
	Total	196.38	
	Closing Balance as at 31.03.2020		
	-Property Plant & Equipment	2,474.99	
	-Provisions	(790.39)	
	Total	1,684.60	

Tax Reconciliation			
Particulars	As at 31.03.2020 (₹)	As at 31.03.2019 (₹)	
Profit before tax	(673.46)	(2,879.91)	
Applicable tax rate	26.00%	19.24%	
Computed tax expense	-	-	
Tax effect of :	-	-	
- Exempted Income	-	-	
- Expense disallowed	-	-	
Total	-	-	
Tax adjustment related to earlier year	-	-	
Current tax Provision- A	-	-	
Deffered tax Provision-B	196.39	(115.11)	
Profit & Loss (A+B)	196.39	(115.11)	
Effective rate	-29.16%	4.00%	

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE: 20 BORROWINGS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Working Capital Loan from Bank- Secured	8,142.34	10891.86
	Secured by first charge on current assets of the company & second charge on fixed assets & further secured by personal Guarantee of Promoter Director		
	Total	8,142.34	10891.86

NOTE : 21 TRADE PAYABLES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Total outstanding dues of micro enterprises and small enterprises	176.19	292.57
2	Total outstanding dues of creditors other than micro enterprises and small enterprises	3,220.00	3048.68
	Total	3,396.19	3341.25

NOTE: 22 OTHER FINANCIAL LIABILITIES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Current Maturities of Long Term debts	6,263.84	6,899.93
2	Current Maturities of Vehicle Loan Obligation	1.31	1.58
3	Creditors for Capital Expenditure	24.82	48.26
4	Unclaimed Dividends	8.26	15.24
5	Creditor For Expenses	214.00	211.38
6	Employee Dues	328.92	302.43
7	Interest due but not paid	2,255.66	3032.22
8	Other Payable	257.97	159.03
	Total	9,354.78	10670.06

NOTE : 23 OTHER CURRENT LIABILITIES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Statutory Dues	39.13	90.83
	Total	39.13	90.83

NOTE : 24 PROVISIONS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Provision for Gratuity	45.78	39.04
2	Provision for Leave Encashment	14.84	13.47
3	Provision for MIT	-	399.35
	Total	60.62	451.86

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 25 REVENUE FROM OPERATIONS

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Sales of products	31642.71	29579.75
2	Income from research activities	110.13	156.71
3	Other Operating Revenue	483.13	447.70
	Total	32235.97	30184.17

25.1 Other Operating Revenue includes ₹ 483.13 lakh received / receivable from Government as Export Incentives.

NOTE : 26 OTHER INCOME

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Bank Interest	33.08	29.03
2	Rent Received	31.66	30.01
3	Net Gain on Foreign currency	258.39	373.16
4	Other Income	34.79	18.47
	Total	357.92	450.67

NOTE : 27 COST OF MATERIAL CONSUMED

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
	Opening Stock		
	- Raw Material	8079.87	8546.57
	Add : Purchases	17621.79	19232.19
	Total	25701.66	27778.77
	Less : Exceptional Items(Refer Note 34)	-	722.50
	Less : Closing Stock	8641.97	8079.87
	Total	17059.69	18976.39

NOTE : 28 CHANGE IN INVENTORIES

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Opening Stock		
	- Finished Goods	2323.41	2416.23
	-Work In Progress	3282.28	2564.97
	Total (A)	5605.69	4981.20
2	Closing Stock		
	- Finished Goods	1708.49	2323.41
	- Work in progress	3276.06	3282.28
	Less : Exceptional Items(Refer Note No 34)	-	173.55
	Total (B)	4984.55	5605.69
	Change in Inventories (A-B)	621.14	(798.05)

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 29 EMPLOYEE BENEFIT EXPENSES

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Salaries & Wages	3110.00	2770.09
2	Contribution to Provident Fund and other funds	194.96	153.23
3	Staff Welfare Expenses	73.82	102.79
	Total	3378.78	3026.11

29.1 Reconciliation of Defined benefit Obligation

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Gratuity		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	468.91	370.16
	Amount recognised in balance Sheet	468.91	370.16
2	Leave Encashment		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	254.66	214.77
	Amount recognised in balance Sheet	254.66	214.77

As per IND AS-19 “Employee Benefits”, the disclosures as defined in Indian Accounting Standard are given below: The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

29.2 Expenses recognised during the year

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Gratuity		
	Current Service Cost	60.24	49.87
	Interest Cost	23.13	25.20
	Net Actuarial (gain)/loss recognised in the period	47.15	-
	Expense recognised in the P&L Statement	130.52	75.07
2	Leave Encashment		
	Current Service Cost	89.87	78.67
	Interest Cost	13.42	13.84
	Net Actuarial (gain)/loss recognised in the period	(41.82)	(37.69)
	Expense recognised in the P&L Statement	61.47	54.82

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

29.3 Amount Recognised in other Comprehensive Income

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Gratuity		
	Actuarial (Gain)/Loss – Due to experience variance	47.15	(6.97)
	Net (Income)/Expense for the period recognized in Other Comprehensive Income	47.15	(6.97)
2	Leave Encashment		
	Actuarial (Gain)/Loss – Due to experience variance	-	-
	Net (Income)/Expense for the period recognized in Other Comprehensive Income	-	-
	Actuarial Assumptions		
	(Financial)		
	Discount Rate	6.25%	7.5%
	Estimated rate of increase in salary	5%	5%
	Rate of return on plan assets	-	-
	(Demographic)		
	Mortality basis	Indian Assured Lives Mortality (2012-14) Ult.	
	Attrition	0.1	0.1
	Disability	No explicit allowance	
	Sensitivity Analysis		
	Change in Valuation Assumption	Gratuity – PV of liability obligations	Leave – PV of liability obligations
	Discount rate Δ (-1%)	50213732	27102977
	Discount rate Δ (0%)	46891031	25465593
	Discount rate Δ (+1%)	43932331	23996889
	Salary Esc. Rate Δ (-1%)	43858010	23956293
	Salary Esc. Rate Δ (0%)	46891031	25465593
	Salary Esc. Rate Δ (+1%)	50242075	27118275

NOTE : 30 FINANCIAL COST

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Interest Expenses	1141.46	2206.12
2	Exchange difference as an adjustment to borrowing cost	-	261.26
3	Other Borrowing Cost	163.11	47.24
	Total	1304.57	2514.62

30.1 The lenders of the company has approved corporate debt restructuring package of the company in financial year 2014-15. However, the company has defaulted in repayment of borrowing to lenders and failed to comply with terms of repayment approved by lenders in corporate debt restructuring package.

30.2 The company has not provided interest expenses of ₹ 1214.89 lakh for the year ended March 31, 2020 respectively and ₹ 1133.94 lakh for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement. The company is in discussion with all the lenders to settle the outstanding dues.

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE: 31 DEPRECIATION & AMORTISED EXPENSES

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Depreciation	2038.36	2038.01
2	Amortisation of Intangible Assets	1066.78	1257.25
	Total	3105.14	3295.26

NOTE : 32 OTHER EXPENSES

A. Manufacturing Expenses

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Power & Fuel	341.04	349.92
2	Consumables	136.17	143.69
3	Repair & Maintenance		
	- Building	31.31	43.69
	- Electrical	14.68	23.37
	- Plant & Machinery	55.74	44.94
4	Other Manufacturing Expenses	109.45	112.90
	Total	688.40	718.51

B. Administration Expenses

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Rent	1.59	1.32
2	Rates, Fee & Taxes	21.54	11.52
3	Insurance	43.40	32.29
4	Legal and Professional Expenses	51.53	42.01
5	Postage, Telex & Telegram	4.97	5.46
6	Printing & Stationery	20.83	23.70
7	Telephone Expenses	42.88	21.08
8	Traveling & Conveyance:		
	- Staff	131.76	87.59
	- Directors	11.11	13.65
	- Others	4.71	6.38
9	Running, Repair & Maintenance :		
	- Vehicles	62.18	64.13
	- Computer	6.92	12.24
	- Others	8.91	9.62
10	Auditors' Fees	6.00	6.00
11	Directors Remuneration	195.81	194.59
12	Other Administrative Expenses	446.23	67.13
13	Other Corporate Expenses	83.27	74.03
	Total	1143.63	672.74

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

C. Selling and Distribution Expenses

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Discount / Commission	390.48	276.06
2	Other Selling Expenses	1673.56	1292.16
3	Advertisement & Sales Promotion	599.59	386.04
4	Sample Distribution	288.69	247.04
5	Incentive to Field Force	219.55	122.83
6	Traveling and conveyance Field Staff (Incl. Hotel)	440.53	369.96
	Total	3612.40	2694.08
	GRAND TOTAL	5444.43	4085.33

NOTE : 33 RESEARCH AND DEVELOPMENT EXPENSES

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Remuneration of R & D Staff	416.80	436.71
2	R & D Expenses	111.61	187.21
3	Material used for Development of new products	108.28	214.82
4	R & D Consumables	48.86	56.66
5	IPR , Patent , Technology & Dossiers expenses	739.68	569.90
	Total	1425.23	1465.30

NOTE : 34 EXCEPTIONAL ITEMS:

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Raw material	-	682.57
2	Packing Material	-	39.93
3	Finished Goods	-	173.55
4	Bank settlement Term Loan & Working Capital (a)	2448.85	-
5	FCCB Interest (b)	686.00	-
6	Impairment of Asset (c)	(4,016.06)	-
	Total	(881.21)	896.06

34.1 Exceptional item stated in the statement which resulted due to one time settlement of Loans & Borrowings with IDBI bank, Impairment loss on Capital work in progress and Reversal of Interest provision of Foreign currency convertible bond of previous years.

34.1(a) During year ending on 31st March 2020, the company has made one time settlement (OTS) with IDBI bank for settlement of outstanding Term and Working Capital loans amounting to ₹ 4813 lakh. The company get a waiver of ₹ 1443 lakh on principal outstanding and ₹ 1004.71 lakh on Interest outstanding.

34.1(b) Interest expense of ₹ 686 lakh on Foreign Currency Convertible Bonds (FCCB) provided for previous years have been reversed in year ended 31st March, 2020.

34.1(c) The capital work in progress consists of new office building under construction. The construction work on the building was stopped in previous years. During the year company has carried out impairment study of capital work in progress. As per the impairment study report, there is impairment loss of ₹ 4016.06 lakh shown in statement of Profit & Loss under Exceptional item on impairment of Capital work in progress.

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

- 35.** The financial statements were approved by the board of directors on 21st, August, 2020.
- 36.** The sitting fees paid to non-executive directors is ₹ 0.67 lakh and ₹ 0.53 lakh as at March 31, 2020 and 2019, respectively.
- 37.** As per the provisions of FCCB agreement, the FCCB was to be converted into equity shares by 01-02-2015. However, the bond holder have not exercise their option to convert the bonds into equity shares.

The Company has not translated carrying balances of Foreign Currency Convertible bond at rates prevalent as on 31st March, 2020. As result Finance cost of ₹ 409.14 lakh have been less provided in the books for Year ended March 31, 2020.

Further, the company has not provided interest expenses of ₹ 189.63 lakh on Foreign Currency Convertible bond for the year ended 31st March 2020.

Interest expense of ₹ 686 lakh provided for previous years have been reversed in the quarter ended 31st March, 2020 and shown in profit & Loss statement under exceptional item .

38. EARNING PER SHARE (IND AS-33)

The calculation of Earning per share (EPS) is based on the earnings and number of shares as computed below:

	(₹ In lakh)	
Profit after Tax	₹ (822.69)	₹ (2711.08)
	No. of shares in lakh as on 31.03.20	No. of shares in lakh as on 31.03.19
Weighted average number of shares in calculating the basic EPS	12.34	12.34
Weighted average number of shares in calculating Diluted EPS	12.34	12.34
Earning per share (Face value ₹ 10 /each)		
Earning per share Basic in ₹	(6.67)	(21.97)
Earning per share Diluted in ₹	(6.67)	(21.97)

- 39.** Fair value of cash and current deposits, trade and other current receivable, trade payable, other current liabilities, current loans from banks and other institution approximate their carrying amount due to current maturities of these instruments.
- 40. Recent Estimation of uncertainties relating to the global health pandemic from COVID-19**

In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. Due to Pandemic the operations were temporarily disrupted at manufacturing site, warehouse and distribution at various locations across India. Further, Domestic and Export businesses were also temporarily disrupted experiencing partial or complete lockdown in the last week of March 2020. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors. The Company has evaluated its liquidity position and of recoverability and carrying values of its assets and has concluded that no material adjustments are required at this stage in the financial results. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions. The Company have partially resumed operations after taking into account directives from the Government.

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

41. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Amount due to vendor	176.19	311.16
Interest due and payable for the year	-	2.55
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	2.55

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

42. Section 135 of the Companies Act, 2013, is not applicable for the company during the financial year 2019-20 as the profit of last three financial year calculated as per section 198 of the companies act was less than ₹5 crores .

43. The Company has defaulted in the repayment of loans or borrowings to banks which were persisting as on 31 March, 2020 are as under.

(₹ In lakh)

Name of the Bank	Period of Default*			TOTAL	Interest**
	0-1	1-2	2-3		
Amount of default as at the balance sheet date*					
CORPORATION BANK (now Union Bank of India)	241.01	212.61	20.44	474.06	535.98
DENA BANK (now Bank of Baroda)	232.76	165.99	7.87	406.62	-
EXIM BANK	625.57	726	622.40	1973.97	1793.57
SBI	526.13	582.68	14.35	1123.16	11.14

*Based on Corporate debt restructuring approved by bank.

** Period of default is unascertainable

44. Payments to Auditors:

(₹ in lakh)

Sr. No	Particulars	Current Year	Previous Year
1	Statutory Audit Fees (Including Limited Review Fees)	5.00	5.00
2	Tax Audit Fees	1.00	1.00
	Total	6.00	6.00

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

45. Related Party Disclosures:

As per IND AS- 24, the disclosures of transactions with related parties during the year are given below.

Names of related parties and description of relationship:

1. Wholly Owned Subsidiary	Venus Pharma GmbH
2. Entity in which Director is interested	Sunev Pharma Solutions Limited Spine Software Systems Pvt Limited
3. Director's Relative	Saransh Chaudhary Mr. Pawan Chaudhary
4. Key Management Personnel	Mr. Peeyush Jain Mr. Ashutosh Jain Mrs. Neha Kodan

Nature Of Transaction	Transaction during the Year			Outstanding Balance	
	Subsidiaries	Entity in which Director is interested	Key managerial Personnel	As on 31-03-2020	As on 31-03- 2019
Revenue of operation	6151.36 (6405.97)	-	-	823.91-R	76.03-R
Sales of Asset	-	1.54	-	-	-
Rent Received	-	31.62 (30.34)	-	59.62-R	16.04-R
Purchases and Others	261.42 (225.26)	- (24.94)	-	-	-
IT Services	-	27.59 (24.77)	-	7.52-P	-
Purchase of Software	-	239.39 (223.28)	-	-	-
Remuneration to Directors /KMP	-	-	195.14 (194.06)	12.01-P	11.78 P
Advance given for purchase of goods	-	- (107.6)	-	123.73-R	123.73-R
Salary	-	36 (36)	-	2.09-P	1.31 P

* Previous year figures have been shown in bracket & R-Receiveable and P-Payable.

** Includes exchange fluctuation effect.

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

46. FINANCIAL RISK MANAGEMENT:

The Company has exposure to the following risks arising from financial instruments:

- i. Credit risk: Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from trade receivables. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.
 - a) a. Trade receivables - The Company has an established credit policy and a credit review mechanism. The concentration of credit risk arising from trade receivables is limited due to large customer base. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment behaviour and analysis of customer credit risk.
 - b) Financial instruments and cash deposits – Company periodically reviews the credit risk arising from balances / deposits with banks, other financial assets and current investments, if any, and manage the same accordingly.
- ii. Liquidity risk: Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

(₹ In lakh)

Current Financial Liabilities	31.03.2020		31.03.2019	
	Carrying Amount	Less than 1 year	Carrying Amount	Less than 1 year
Borrowings	8142.34	8142.34	10891.86	10891.86
Trade Payables	3396.19	3396.19	3341.25	3341.25
Other Financial Liabilities	9354.78	9354.78	10670.06	10670.06

- iii. Market risk:

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as currency risk, interest rates risk and commodity price risk.

- a) Currency risk - The Company's operates outside Indian Territory also and there is foreign exchange risk to the Company.
- b) Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retrial benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.
- c) Commodity risk - The Company has no such risk.

47. The company has paid a sum of ₹ 3234.77 lakh to inventor for acquiring 3 products / patents right title and interest in and to the invention and the patent applications in previous financial years. These invented products are already in the market since 5 years and the company has exclusive worldwide marketing rights for these products in terms of

NOTES ON STANDALONE FINANCIAL STATEMENT

For the period ended 31st March, 2020

agreement entered with inventor. Now, the patent has been granted to inventor in financial year 2018-19. The company will recognised these Patent IPR technologies based on valuation done by registered valuer in the year when patent will transfer in the name of the company in terms of agreement entered in previous financials years and latest understanding between inventor and the company.

48. There is no remittance in foreign currency on account of dividend.

49. Contingent Liabilities and Commitments

Particulars	(₹ in lakh)	
	Current Year	Previous Year
Contingent Liabilities		
a) Letter of Credit / Bank Guarantees – Inland	-	179.49
b) Bank Guarantees foreign	-	26.06
c) Letter of credit – Foreign	-	30
d) Tax demand pending in appeal	16.34	16.34
Capital commitment	5.00	

50. The previous year figures have been regrouped/ reclassified, wherever necessary to Confirm to the current year presentation.

51. The company operates only in one business segment viz “Pharmaceutical Formulation” and is engaged in manufacturing and trading of medicines

In terms of our annexed report of even date

FOR **VINOD KUMAR & ASSOCIATES**

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)

Partner
M. No. 511741

PLACE : PANCHKULA

DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)

Deputy Managing
Director
DIN: 00440361

(Neha Kodan)

Company Secretary

(Pawan Chaudhary)

Chairman cum
Managing Director
DIN: 00435503

(Ajeet Kapoor)

CGM Accounts

VENUS PHARMA GMBH GERMANY

Sr No	Particulars	31.03.2020		31.03.2019	
		€ in lakh	₹ in lakh	€ in lakh	₹ in lakh
1	Share capital	0.25	13.89	0.25	19.43
2	Reserves & surplus	(25.52)	(888.33)	(23.29)	(1809.82)
3	Total assets	55.03	4570.06	53.93	4190.14
4	Total Liabilities	55.03	4570.06	53.93	4190.14
5	Turnover	105.71	8496.35	111.34	8814.09
6	Profit before taxation	(2.23)	(177.23)	(1.92)	(146.39)
7	Provision for taxation	NIL	NIL	NIL	NIL
8	Profit after taxation	(2.23)	(177.23)	(1.92)	(146.39)
9	Proposed Dividend	NIL	NIL	NIL	NIL

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of

VENUS REMEDIES LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

QUALIFIED OPINION

We have audited the accompanying consolidated Ind AS Financial Statements of VENUS REMEDIES LIMITED (hereinafter referred to as "the holding Company") and its subsidiary (the holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2020, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor, referred to in the Other Matters paragraph below, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph below, the aforesaid consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2020, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR QUALIFIED OPINION

(a) The lenders of the holding company has approved corporate debt restructuring package of the holding company in financial year 2014-15. However, the holding company has defaulted in repayment of borrowing to lenders and was unable to comply with terms of repayment approved by lenders in corporate debt restructuring package.

The Holding Company has delayed in repayment of loans or borrowings to banks which were persisting as on 31st March, 2020. Total of ₹ 6319.0 lakh is the outstanding amount for repayment which includes principal ₹ 3978.0 lakh and Interest ₹ 2341.0 lakh as on 31st March, 2020.

The Holding company has not provided interest expenses of ₹ 1214.89 lakh the Financial Year 2019-20 and ₹ 1133.94 lakh for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement. As a result, interest expenses of ₹ 1214.89 lakh have been less provided in the books for the year ended 31st March, 2020.

(Refer Note no. 29 to consolidated Ind AS Financial Statements)

(b) The Holding Company has not translated carrying balances of Foreign Currency Convertible bond at rates prevalent as on 31st March, 2020. As result Finance cost of ₹ 409.14 lakh have been less provided in the books for the Year ended 31st March, 2020.

Further, the Holding company has not provided interest expenses of ₹ 189.63 lakh on Foreign Currency Convertible bond for the year ended 31st March, 2020. As a result, interest expenses of ₹ 189.63 lakh have been less provided in the books for the Year ended 31st March, 2020.

Interest expense of ₹ 686 lakh provided for previous years have been reversed in the year ended 31st March, 2020 and shown in the statement of profit & Loss under exceptional item.

(Refer Note No-38 of Notes to accounts).

We further report that the matter referred in point 3(a) above was also qualified in the audit report on the Consolidated financial Statement for the year ended 31st March, 2019.

We further report had the qualification made by us in paragraph (a) and (b) above would have been considered during the Year ended 31st March, 2020, finance costs would have been ₹ 3147.40 lakh for the Year ended 31st March, 2020 (as against the reported figure of ₹ 1333.74 lakh for the Year ended 31st March, 2020) the loss for the Year ended 31st March, 2020 would have been ₹ (3499.59) lakh (as against the reported figure of loss of ₹ (999.93) lakh for the Year ended 31st March, 2020), Financial Liability (Current) as on 31st March, 2020 would have been ₹ 10709.19 lakh (as against the reported figure of ₹ 9494.30 lakh and Long term Borrowings as on 31st March, 2020 would have been ₹ 8537.46 lakh (as against the reported figure of ₹ 7252.70 lakh).

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

KEY AUDIT MATTERS

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

OTHER MATTERS

- a) We did not audit the Ind AS financial statements / financial information of a subsidiary whose financial statements / financial information reflect total assets of ₹ 4570.1 lakh as at 31st March, 2020, total revenues of ₹ 8496.4 lakh, total net (loss) after tax of ₹ (177.20) lakh, and net cash flows amounting to ₹ 90.40 lakh for the year ended on that date, as considered in the consolidated financial statements.

These Ind AS financial statements / financial information have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of above matters.

INFORMATION OTHER THAN THE CONSOLIDATED IND AS IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the Ind AS Financial Statements and our auditors' report thereon.

Our opinion on the consolidated Ind AS Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the entity included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS Financial Statements by the Directors of the holding Company, as aforesaid.

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

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the entity has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated Ind AS Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or

conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS Financial Statements, including the disclosures, and whether the consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

We believe that the audit evidence obtained by us and by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our

- audit of the aforesaid consolidated Ind AS Financial Statements.
- b) Except for the effects of the matter described in the “Basis for Qualified opinion” paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS Financial Statements.
- d) Except for the effects of the matter described in the “Basis for Qualified opinion” paragraph above, in our opinion, the aforesaid consolidated Ind AS Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the holding Company, as on 31st March 2020 and taken on record by the Board of Directors of holding company, none of the directors of the holding company is disqualified as on 31st March 2020 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 with reference to Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the ‘Basis for Qualified Opinion’ paragraph above.
2. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31st March 2020 on the consolidated financial position of the Group. Refer Note 45 to the consolidated Ind AS Financial Statements.

- ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the holding Company during the year ended 31st March 2020.
3. With respect to the matter to be included in the Auditors’ report under Section 197(16):

In our opinion and according to the information and explanations given to us, the holding company has paid/provided managerial remuneration of ₹ 195.14 lakh during the year ended 31st March, 2020 (P.Y -₹ 194.05 lakh) for which the company has filed applications to seek the approval from Central Government under section 197 of the Companies Act, 2013.

The central government has communicated that the application made to it shall abate considering the Companies (Amendment) Act, 2017 and closed the applications. The central government also clarified that the onus of compliance with provisions of the Companies Act, 2013 as amended vide the Companies (Amendment) Act, 2017 lies with the holding company.

The holding Company is yet to take steps to comply the provisions and the said managerial remuneration so paid/provided is subject to the approvals to be obtained in accordance with the provisions of section 197 of the Companies Act, 2013 as amended vide the Companies (Amendment) Act, 2017 till date. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **Vinod Kumar & Associates**
Chartered Accountants
FRN-002304N

Mukesh Dadhich
Partner
M.No. 511741
UDIN: 20511741AAAAIL2796

Date: 21st August, 2020
Place: Panchkula

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS Financial Statements of **VENUS REMEDIES LIMITED** ("the Holding Company") as of 31st March 2020, we have audited the internal financial controls with reference to the Ind AS Financial Statements of the Holding Company.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding company, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS Financial Statements criteria established by the Holding company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective entity'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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated Ind AS Financial Statements of the Holding Company, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system with reference to consolidated Ind AS Financial Statements of the Holding Company.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management

and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls system with reference to consolidated Ind AS Financial Statements and such internal financial controls with reference to consolidated Ind AS Financial Statements were operating effectively as at 31st March 2020, based on the internal control with reference to consolidated Ind AS Financial Statements criteria established by the Holding Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Vinod Kumar & Associates**
Chartered Accountants
FRN-002304N

Mukesh Dadhich
Partner

Date: 21st August, 2020
Place: Panchkula

M.No. 511741
UDIN: 20511741AAAAIL2796

BALANCE SHEET

Consolidated Balance Sheet as at 31st March, 2020

(₹ in lakh)

Particulars	Note No.	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	2 (A)	18393.94	19643.93
(b) Capital Work In Progress	2 (B)	2463.10	6476.42
(c) Intangible Assets	2 (C)	10542.99	16801.04
(II) Other Non Current Financial Assets	3	325.50	188.45
(e) Other non - current assets	4	3251.20	3629.37
Total Non- Current Assets		34976.73	46739.21
(2) Current Assets			
(a) Inventories	5	14112.42	14272.54
(b) Financial Assets			
(i) Trade Receivables	6	3069.05	3804.11
(ii) Cash and Cash Equivalents	7	194.24	203.31
(iii) Bank balances other than (ii) above	8	18.26	77.72
(iv) Other Financial Assets	9	144.77	556.55
(C) Current Tax Assets	10	2853.80	2846.11
(D) Other Current Assets	11	3202.63	4783.04
(E) Assets held for sale	12	5200.00	-
Total Current Assets		28795.17	26543.37
Total Assets		63771.90	73282.58
EQUITY AND LIABILITY			
Equity			
(a) Equity Share Capital	13	1234.20	1234.20
(b) Other Equity	14	31102.81	32018.23
Total Equity		32337.01	33252.43
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	7205.33	11601.80
(ii) Other Financial Liabilities	16	29.35	45.43
(b) Provisions	17	662.95	532.42
(c) Deferred Tax Liabilities (Net)	18	1684.60	1488.22
Total Non- Current Liabilities		9582.23	13667.86
(2) Current Liabilities			
(i) Borrowings	19	8557.59	11280.37
(ii) Trade Payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises		176.19	292.57
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3493.34	3307.70
(iii) Other Financial Liabilities	21	9494.30	10928.41
(b) Other Current Liabilities	22	70.62	101.38
(c) Provisions	23	60.62	451.86
Total Current Liabilities		21852.66	26362.29
Total Equity & Liability		63771.90	73282.58

Significant Accounting Policies and Notes on Accounts 1 to 52

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing
Director
DIN: 00440361

(Pawan Chaudhary)
Chairman cum
Managing Director
DIN: 00435503

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
CGM Accounts

PROFIT & LOSS

Consolidated Statement of Profit & Loss for the period ended 31st March, 2020

(₹ in lakh)

Particulars	Note No.	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
I Revenue from operations	24	34146.33	32189.29
II Other Income	25	530.77	609.41
III Total Revenue (I +II)		34677.10	32798.70
IV Expenses:			
Cost of materials consumed	26	16845.48	18967.39
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	585.52	(771.90)
Employee Benefit Expenses	28	4602.14	4210.21
Finance Costs	29	1333.74	2540.51
Depreciation and Amortization Expenses	30	3201.23	3398.00
Selling, Manufacturing & Administration	31	6606.10	5065.73
Research & Development Expenses	32	1425.23	1465.30
Total Expenses (IV)		34599.44	34875.23
V Profit before exceptional items and Taxes	(III - IV)	77.66	(2076.53)
VI Exceptional Items	33	(881.21)	896.06
VII Profit before Taxes		(803.55)	(2972.58)
Income Tax expense:		-	-
(1) Current tax		-	-
(2) Deferred tax		196.39	(115.11)
VIII Net Profit/(Loss) for the period		(999.93)	(2857.47)
IX Other Comprehensive Income			
(I) Items that will not be classified to Profit & loss accounts net of Income tax		(47.15)	6.97
(I) Items that will be classified to Profit & loss accounts net of Income tax		-	-
Total Comprehensive income for the period		(1047.08)	(2850.50)
X Earning per equity share:			
(1) Basic		(8.10)	(23.15)
(2) Diluted		(8.10)	(23.15)

Notes and Significant Accounting Policies referred to above and annexed there to form an Integral part of Statement of Profit & Loss. This is the Statement of Profit & Loss referred to in our Report of even date.

FOR **VINOD KUMAR & ASSOCIATES**

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing
Director
DIN: 00440361

(Neha Kodan)
Company Secretary

(Pawan Chaudhary)
Chairman cum
Managing Director
DIN: 00435503

(Ajeet Kapoor)
CGM Accounts

CHANGES IN EQUITY

Consolidated STATEMENT OF CHANGES IN EQUITY for the period ended 31st March, 2020

Sr. No	Particulars	31.03.2020		31.03.2019	
		No. of Shares	₹ In lakh	No. of Shares	₹ In lakh
A	Equity Share Capital (Refer Note. 11)				
	Balance at the beginning of the reporting period	12341988	1234.20	12341988	1234.20
	Changes in equity share capital during the year			-	-
	Balance at the end of the reporting period	12341988	1234.20	12341988	1234.20

B. Other Equity (Refer Note. 12)

PARTICULARS	RESERVE AND SURPLUS			OTHER COMPREHENSIVE INCOME	TOTAL OTHER EQUITY
	Securities Premium	General Reserve	Retained Earning	Remeasurement of Net Dues Benefit	
Balance at 01.04.2019	7560.08	22072.42	2385.73	-	32018.23
Profit for the Year		131.66	(999.93)		(868.27)
Securities premium collected on share issue					
Movement in other comprehensive income				(47.15)	(47.15)
Movement in retained earnings			(47.15)	47.15	-
Balance at 31.03.2020	7560.08	22204.08	1338.65	-	31102.81

Nature and purpose of each reserve

- Securities Premium- The amount received in excess of the face value of equity is recognized in securities premium. These will be utilized in accordance with the provision of the companies act 2013.
- General Reserve- The reserve arises on transfer portion of the net profit pursuant of the earlier of the companies act 1956. Mandatory transfer to general reserve is not required under the companies act 2013.
- Retained Earnings- Retained earning is the accumulated amount of profit or loss earned by the company till date.

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)

Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)

Deputy Managing Director
DIN: 00440361

(Neha Kodan)

Company Secretary

(Pawan Chaudhary)

Chairman cum Managing Director
DIN: 00435503

(Ajeet Kapoor)

CGM Accounts

CASH FLOW

Consolidated STATEMENT OF CASH FLOW for the period ended 31st March, 2020

Sr. No	PARTICULARS	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax & extraordinary items	77.67	(2,076.52)
	Adjustment for Depreciation	3,201.22	3398.00
	Interest Expense	1,166.28	2232.00
	Increase in long term provision for gratuity and leave encashment	83.38	89.63
	Provision for doubtful debts	-	294.70
	Adjustment reversing effect on profit of non-cash non-operating activities	-	175.15
	Exchange Fluctuation	(260.44)	(92.90)
	Interest Received	(33.96)	(24.16)
	Operating Profit before working capital changes	4234.16	3995.89
	Adjustments for increase /decrease in Current Assets	1,106.87	(2,576.31)
	Decrease / Increase in Current Liabilities/ Provisions	915.95	3,113.13
	Extraordinary items	1,444.00	
	Net Cash Flow from operating activities (A)	7700.98	4532.71
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase/Sale of PPE	(778.08)	(992.44)
	Interest Received	33.96	24.16
	Proceeds from loans and advances	269.29	(164.95)
	Net Cash Flow from Investing Activities (B)	(474.83)	(1,133.23)
C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Security Deposit (Net)	(16.08)	(4.79)
	Proceeds from term Loans (Net)	(3,344.24)	(449.09)
	Proceeds from Short term Borrowing(Net)	(2,749.52)	(830.83)
	Interest Expense	(1,166.28)	(2,232.00)
	Advance Given	(24.11)	-
	Net Cash from Financing Activities (C)	(7,300.22)	(3,516.71)
	Net Increase in Cash & Cash Equivalents (A+B+C)	(74.08)	(117.23)
	Unrealised Loss/(gain) on foreign currency cash and cash equivalents	5.56	
	Cash & Cash Equivalents as at 31.03.2019	281.02	398.26
	Cash & Cash Equivalents as at 31.03.2020	212.50	281.03

FOR VINOD KUMAR & ASSOCIATES

Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)

Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)

Deputy Managing
Director
DIN: 00440361

(Neha Kodan)

Company Secretary

(Pawan Chaudhary)

Chairman cum
Managing Director
DIN: 00435503

(Ajeet Kapoor)

CGM Accounts

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

NOTE NO. -1

1. CORPORATE INFORMATION

Venus Remedies Limited (the 'Company') is a public limited Company with registered office situated at and is listed on the Bombay Stock Exchange Limited (BSE), National Stock Exchange of India (NSE).

2. SIGNIFICANT ACCOUNTING POLICIES:

A. Statement of Compliance:

These Consolidated financial statements of the company have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the Ind As as notified under section 133 of the Companies Act 2013 (the Act read with rule 4 of the Companies (Indian Accounting Standards) Rules 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

B. Basis of consolidation:

- a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with IND AS 110, "Consolidated Financial Statements".
- b) In case of foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at average rate prevailing during the year. All assets and liabilities are converted at rates prevailing

at the end of the year. Any exchange difference arising on consolidation is recognized in the other comprehensive income.

- c) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- d) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of Profit and loss account as the profit or loss on disposal of investment in subsidiary.
- e) The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associated to the extent of its share, through its profit and loss account to the extent such change is attributable to the associated' profit and loss account and through its reserves for the balance, based on available information.
- f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

3. OTHER SIGNIFICANT ACCOUNTING POLICIES:

These are set out under "Significant Accounting Policies" as given in the Standalone Financial Statements of Venus Remedies Limited.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 2 PROPERTY, PLANT & EQUIPMENT (SUBSIDIARY COMPANY)

Sr. No	Particulars	Gross Block				Depreciation				Exchange Difference	Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end		WDV as on 31.03.2020	WDV as on 31.03.2019
I Tangibles												
1	Land	217.46			217.46	-	-		-	14.97	232.43	217.46
2	Building	2,062.21			2,062.21	824.88	63.99		888.87	83.02	1,256.35	1,237.33
3	Building Premises	43.82			43.82	43.82	-		43.82	0.00	0.00	0.01
4	Out Door Facilities	201.65			201.65	102.39	13.90		116.29	6.37	91.72	99.26
5	Plant & Machinery	171.72	2.51		174.23	171.49	0.11		171.59	0.01	2.65	0.23
6	Plant & Equipment – I	11.62	6.43		18.05	11.29	1.32		12.61	-0.02	5.42	0.33
7	Plant & Equipment – II	68.53			68.53	37.61	6.95		44.56	2.55	26.52	30.92
8	Plant & Equipment – III	3.15		3.02	0.13	2.01	0.00	1.88	0.13	0.34	0.34	1.14
9	Plant & Equipment – IV	39.57	1.73		41.30	19.68	4.16		23.84	1.24	18.70	19.89
10	Plant & Equipment – V	7.64			7.64	7.10	0.32		7.42	0.03	0.25	0.54
11	Plant & Equipment – VI	13.85			13.85	8.36	2.00		10.36	0.31	3.81	5.49
12	Plant & Equipment – VII	14.76			14.76	3.87	1.09		4.96	0.72	10.52	10.89
13	Warehouse Equipment – I	0.72			0.72	0.72	0.00		0.72	0.00	0.00	0.00
14	Warehouse Equipment – II	18.25			18.25	15.18	1.26		16.44	0.17	1.98	3.07
15	Computer – I	0.31		0.31	0.00	0.31	0.00	0.31	0.00	0.00	0.00	0.00
16	Computer – III	0.15		0.15	0.00	0.15	0.00	0.15	0.00	0.00	0.00	0.00
17	Miscellaneous Fixed Assets	12.30	1.44	3.44	10.30	10.58	0.90	3.44	8.04	0.09	2.35	1.72
18	Office Equipment / F & F	9.01			9.01	9.01	0.00		9.01	0.00	0.00	0.00
19	Vehicle	12.21			12.21	12.21	0.00		12.21	0.00	0.00	0.00
SUB TOTAL (A)		2908.93	12.11	6.92	2914.11	1,280.64	96.01	5.79	1,370.87	109.80	1653.04	1628.28
II Intangibles												
1	Intellectual Property Rights	386.77	-	-	386.77	258.88	0.08		258.96	8.81	136.62	127.89
SUB TOTAL (B)		386.77	-	-	386.77	258.88	0.08	0.00	258.96	8.81	136.62	127.89
TOTAL (A+B)		3,295.70	12.11	6.92	3,300.88	1,539.52	96.09	5.79	1,629.82	118.60	1,789.66	1,756.18
(Previous Year)		3,306.66	1.13	12.09	3,295.70	1,448.87	102.74	12.09	1,539.52		1,756.18	1,927.64

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 2 (A) PROPERTY, PLANT & EQUIPMENT (PARENT COMPANY)

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2020	WDV as on 31.03.2019
I Tangible Assets											
1	Land	922.94	-	-	922.94	-	-	-	-	922.94	922.94
2	Building	5,231.79	75.10	-	5,306.89	1,725.25	181.68	-	1,906.93	3,399.96	3,506.54
3	Building for R & D	1,302.70	-	-	1,302.70	510.39	44.69	-	555.08	747.62	792.31
4	Plant & Machinery	9,802.20	260.43	105.34	9,957.29	4,231.66	530.46	71.71	4,690.41	5,266.88	5,570.54
5	R & D Pilot Plant	1,583.82	33.86	-	1,617.69	533.73	83.90	-	617.63	1,000.06	1,050.10
6	R & D Equipment	5,671.25	68.54	-	5,739.79	2,683.49	395.66	-	3,079.15	2,660.64	2,987.76
7	Computer, I.T and Communication Equipment	3,227.73	307.59	0.38	3,534.95	2,754.89	207.91	0.38	2,962.42	572.53	472.84
8	D G Set	215.85	4.29	2.35	217.79	200.40	13.30	2.35	211.35	6.44	15.44
9	Electrical Installation	1,045.28	0.65	-	1,045.93	764.88	87.23	-	852.11	193.82	280.40
10	Furniture & Fixture	596.44	3.68	5.61	594.51	405.62	55.77	5.61	455.78	138.73	190.83
11	Lab Equipment	3,118.79	13.26	-	3,132.05	1,732.65	312.12	-	2,044.77	1,087.27	1,386.13
12	Office Equipment/ Security Equipment	590.00	1.59	-	591.59	513.01	36.13	-	549.15	42.45	76.99
13	Pollution Control	632.87	-	-	632.87	238.21	32.82	-	271.03	361.84	394.66
14	Vehicles	315.64	-	15.56	300.08	304.01	2.97	14.49	292.49	7.58	11.63
15	Other Fixed Assets	716.06	29.33	0.50	744.89	359.52	53.73	0.50	412.76	332.13	356.53
TOTAL		34973.36	798.32	129.73	35641.96	16957.72	2038.36	95.03	18901.06	16740.90	18015.64
(PREVIOUS YEAR)		34468.00	1015.43	510.06	34973.36	15405.66	2038.01	485.95	16957.72	18015.64	19062.34

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 2 (B) CAPITAL WORK-IN-PROGRESS (PARENT COMPANY)

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2020	WDV as on 31.03.2019
II Capital Work-in-progress											
1	Building Under Construction	6476.42	-	4016.06						2460.36	6476.42
2	Plant & Machinery	-	0.78	-						0.78	-
3	R & D Equipment	-	0.03	-						0.03	-
4	Other	-	1.93	-						1.93	-
	TOTAL	6476.42	2.74	4016.06						2463.10	6476.42
	(PREVIOUS YEAR)	6476.42	-	-						6476.42	6476.42

NOTE : 2 (C) INTANGIBLE ASSETS (PARENT COMPANY)

III Intangible Assets											
1	Patent IPR Technologies	21822.86	-	6121.49	15701.36	10513.32	717.80	2,600.15	8630.97	7070.39	11309.54
2	Product & Process Development	10609.70	-	2,976.11	7633.59	5246.09	348.98	1,297.46	4297.61	3335.98	5363.61
	TOTAL	32432.56	-	9097.60	23334.95	15759.41	1066.78	3897.60	12928.58	10406.37	16673.15
	(PREVIOUS YEAR)	32432.56	-	-	32432.56	14502.16	1257.25	-	15759.41	16673.15	17930.40

2 (B) The capital work in progress consists of new office building under construction. The construction work on the building was stopped in previous years. During the year company has carried out impairment study of capital work in progress. As per the impairment study report, there is impairment loss of ₹ 4016.06 lakh shown in statement of Profit & Loss under Exceptional item on impairment of Capital work in progress

2 (C) During the year, the Company had identified certain patents of ₹ 9097.60 lakh (NBV: ₹ 5200.00 lakh), which has been moved from Intangible Assets to Assets held for sale. The Company expects to divest these assets over the course of next 12 months.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 3 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Security Deposit	297.33	188.45
2	Loans & Advances	28.18	-
	Total	325.50	188.45

NOTE : 4 OTHER NON CURRENT ASSETS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Advances For Capital Goods	16.43	394.60
2	Advance for In Licensing of Technology	3234.77	3234.77
	Total	3251.20	3629.37

NOTE: 5 INVENTORIES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Raw Material	8641.97	8079.87
2	Work-in-Progress	3276.06	3282.28
3	Finished Goods	1758.89	2338.18
4	Consumables	17.46	8.79
5	Goods-in-transit		
	a) Raw Material	-	380.63
	b) Packing Material	-	18.72
	c) Finished Goods	418.04	164.06
	Total	14112.42	14272.54

5.1 Inventory is hypothecated to Bank for working capital facility

NOTE : 6 TRADE RECEIVABLES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Trade receivable Considered good – Unsecured	3069.05	3804.11
2	Trade receivable Considered doubtful – Unsecured	-	294.70
	Less: Provision for Trade Receivable	-	294.70
	Total (1+2)	3069.05	3804.11

6.1 Includes Dues from Related Party. Refer Note No. 44

6.2 Trade Receivable is hypothecated to Bank for working capital facility

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 7 CASH & CASH EQUIVALENT

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Balances with Banks		
	In current Accounts	187.17	198.50
2	Cash Balance	4.78	2.70
3	Foreign Exchange in Hand	2.29	2.11
	Total	194.24	203.31

NOTE : 8 OTHER BANK BALANCES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Fixed Deposits		
	Fixed Deposit being Margin Money	10.00	62.48
2	Bank Balance		
	Unclaimed Dividend	8.26	15.24
	Total	18.26	77.72

8.1 In fixed deposit Accounts with original maturity less than 3 months amounting to ₹ 6.95 lakh

8.2 Fixed Deposits of ₹ 10.00 (Previous year ₹ 62.48) is held with bank as margin money for Bank guarantees/Letter of Credit

NOTE : 9 OTHER FINANCIAL ASSETS

(Unsecured , Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Advance to Staff	7.07	4.35
2	Other Loans & Advances	137.70	552.20
	Total	144.77	556.55

NOTE : 10 CURRENT TAX ASSETS

(Unsecured, Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Tax Credit Receivable	2818.23	2818.23
2	TDS Receivables	35.57	27.88
	Total	2853.80	2846.11

NOTE : 11 OTHER CURRENT ASSETS

A (Unsecured , Considered Good)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Balance with Government Authorities	1641.13	2762.42
2	Advance to suppliers	1189.14	1505.32
3	Prepaid expenses	29.74	109.11
4	Export Incentive Recoverable	342.62	406.18
	Total	3202.63	4783.04

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 12 ASSETS HELD FOR SALE

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Product & Process Development	1678.65	-
2	Patent IPR Technologies	3521.35	-
	Total	5200.00	-

12.1 During the year, the Company had identified certain patents of ₹ 9097.60 lakh (NBV: ₹ 5200.00 lakh), which has been moved from Intangible Assets to Assets held for sale. The Company expects to divest these assets over the course of next 12 months. During the year the Holding Company signed for sale of a novel and patented anti- infective product, Elores with Cipla Limited. The deal includes the transfer of intellectual Property rights such as trademarks, design and know-how related to the brand. The transaction is subject to fulfilment of certain completion conditions and both parties would be working together to complete this. The identifiable assets as per the term of the deal have been recognised and classified as Assets held for sale as per IND AS -105.

NOTE : 13 EQUITY SHARE CAPITAL

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	AUTHORIZED SHARE CAPITAL		
	20000000 Equity Shares of ₹ 10/- each.	2,000.00	2,000.00
	(Previous Year 20000000 Equity Shares of ₹ 10/- each)		
		2,000.00	2000.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL		
	12341988 Equity Shares of ₹ 10/- each, Fully paid up (Previous year	1,234.20	1234.20
	12341988 Equity Shares of 10/- each)		
	Total	1,234.20	1234.20

13.1 The details of Shareholders holding more than 5% shares:

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
		No. of Shares (%)	No. of Shares (%)
1	Sunev Pharma Solutions Limited	2300000 (18.64%)	2300000 (18.64%)
2	Pawan Chaudhary	987000 (8.00%)	1187000 (9.62%)
3	Manu Chaudhary	1143000 (9.26%)	1143000 (9.26%)

13.2 The reconciliation of the number of shares outstanding is set out below:

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
		No. of Shares (In lakh)	No. of Shares (In lakh)
1	Equity Shares at the beginning of the year	12341988	12341988
2	Add: Shares issued during the year	-	-
	Equity Shares at the end of the year	12341988	12341988

Rights, Preference and restriction attached to shares

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors are subject to shareholders approval in ensuing AGM except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amount in proportion to their shareholding.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 14 OTHER EQUITY

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Securities Premium		
		7560.08	7560.08
	Total A	7560.08	7560.08
2	General Reserve		
	As per last Balance Sheet	21146.30	21146.30
	Total B	21146.30	21146.30
3	Foreign Exchange Translation Reserve		
	As per Last Balance Sheet	926.12	1014.11
	Add: During the year	131.66	(87.99)
	Total	1057.78	926.12
3	Includes Due from Related party		
		2385.73	5236.23
	Add: Profit for the period	(999.93)	(2857.47)
	- Taxes on Dividend	-	-
	Add : Reclassification of actuarial gains/ loss in respect of employee benefit scheme as other comprehensive Income	(47.15)	6.97
	Total C	1338.65	2385.73
	Total (a+b+c)	31102.81	32018.23

NOTE : 15 BORROWINGS

A. Secured Loans

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Term Loans (Secured by first charge on Fixed Assets & second charge on current assets of the company & personal guarantee of the directors)	2418.65	6127.65
2	Long Term Maturities of Vehicle loan obligation (Secured by way of hypothecation vehicle financed)	-	1.47
	Total	2418.65	6129.12

B. Unsecured Loans

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Foreign Currency Convertible Bonds	3867.89	4553.89
2	Loan from Directors	918.79	918.79
	Total	4786.68	5472.67
	Total (A + B)	7205.33	11601.79

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 16 OTHER FINANCIAL LIABILITIES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Security Received	29.35	45.43
	Total	29.35	45.43

NOTE : 17 PROVISIONS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Provision For Employees Benefit		
	Provision for Gratuity	423.13	331.12
	Provision for Leave Encashment	239.82	201.30
	Total	662.95	532.42

NOTE : 18 DEFERRED TAX LIABILITY (NET)

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Deferred Tax Liability	1,684.60	1488.22
	Total	1,684.60	1488.22
	Component of Deferred tax (Asset)/ Liabilities		
	Deferred tax (Assets)/Liabilities in relation to		
	Opening Balance as at 31.03.2019		
	-Property Plant & Equipment	2,710.08	
	-Provisions	(1,221.86)	
	Total	1,488.22	
	Changes Recognized in Profit & Loss account		
	-Property Plant & Equipment	(235.09)	
	-Provisions	431.47	
	Total	196.38	
	Closing Balance as at 31.03.2020		
	-Property Plant & Equipment	2,474.99	
	-Provisions	(790.39)	
	Total	1,684.60	
	Tax Reconciliation		
	Particulars	As at 31.03.2020 (₹)	As at 31.03.2019 (₹)
	Profit before tax	(673.46)	(2,879.91)
	Applicable tax rate	26.00%	19.24%
	Computed tax expense	-	-
	Tax effect of :	-	-
	- Exempted Income	-	-
	- Expense disallowed	-	-
	Total	-	-
	Tax adjustment related to earlier year	-	-
	Current tax Provision- A	-	-
	Deffered tax Provision-B	196.39	(115.11)
	Profit & Loss (A+B)	196.39	(115.11)
	Effective rate	-29.16%	4.00%

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE: 19 BORROWINGS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Working Capital Loan from Bank- Secured	8557.59	11280.37
	Secured by first charge on current assets of the company & second charge on fixed assets & further secured by personal Guarantee of Directors.		
	Total	8557.59	11280.37

NOTE : 20 TRADE PAYABLES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Micro, Small and Medium Enterprises	176.19	292.57
2	Others	3493.34	3307.70
	Total	3669.53	3600.27

NOTE: 21 OTHER FINANCIAL LIABILITIES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Current Maturities of Long Term debts	6280.75	6915.14
2	Current Maturities of Vehicle Loan Obligation	1.31	1.58
3	Creditors for Capital Expenditure	24.82	48.26
4	Unclaimed Dividends	8.26	15.24
5	Creditor For Expenses	214.00	211.38
6	Employee Dues	328.92	302.43
7	Interest due but not paid	2255.66	3032.22
8	Other Payable	380.58	402.16
	Total	9494.30	10928.41

NOTE : 22 OTHER CURRENT LIABILITIES

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Statutory Dues	70.62	101.38
	Total	70.62	101.38

NOTE : 23 PROVISIONS

(₹ in lakh)

Sr. No	Particulars	Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
1	Provision for Gratuity	45.78	39.04
2	Provision for Leave Encashment	14.84	13.47
3	Provision for MIT	-	399.35
	Total	60.62	451.86

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 24 REVENUE FROM OPERATIONS

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Sales of products	33553.07	31584.88
2	Income from research activities	110.13	156.71
3	Other Operating Revenue	483.13	447.70
	Total	34146.33	32189.29

24.1 Other Operating Revenue includes ₹ 483.13 lakh received / receivable from Government as Export Incentives.

NOTE : 25 OTHER INCOME

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Bank Interest	33.08	29.03
2	Rent Received	104.96	30.01
3	Net Gain on Foreign currency	260.44	354.16
4	Other Income	132.29	196.20
	Total	530.77	609.41

NOTE : 26 COST OF MATERIAL CONSUMED

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
	Opening Stock		
	- Raw Material	8,079.87	8546.57
	Add : Purchases	17,407.58	19223.20
	Total	25487.45	27769.77
	Less : Exceptional Items(Refer note -33)	-	722.50
	Less : Closing Stock	8641.97	8079.87
	Total	16845.48	18967.39

NOTE : 27 CHANGE IN INVENTORIES

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Opening Stock		
	- Finished Goods	2338.18	2457.15
	-Work In Progress	3282.28	2564.97
	Total (A)	5620.47	5022.12
2	Closing Stock		
	- Finished Goods	1758.89	2338.18
	- Work in progress	3276.06	3282.28
	Less: Exceptional Items(refer note-33)	-	173.55
	Total (B)	5034.95	5620.47
	Change in Inventories (A-B)	585.52	(771.90)

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE : 28 EMPLOYEE BENEFIT EXPENSES

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Salaries & Wages	4112.30	3743.48
2	Contribution to Provident Fund and other funds	409.80	360.89
3	Staff Welfare Expenses	80.04	105.83
	Total	4602.14	4210.21

28.1 Reconciliation of Defined benefit Obligation

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Gratuity		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	468.91	370.16
	Amount recognised in balance Sheet	468.91	370.16
2	Leave Encashment		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	254.66	214.77
	Amount recognised in balance Sheet	254.66	214.77

As per IND AS-19 "Employee Benefits", the disclosures as defined in Indian Accounting Standard are given below: The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

28.2 Expenses recognised during the year

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Gratuity		
	Current Service Cost	60.24	49.87
	Interest Cost	23.13	25.20
	Net Actuarial (gain)/loss recognised in the period	47.15	-
	Expense recognised in the P&L Statement	130.52	75.07
2	Leave Encashment		
	Current Service Cost	89.87	78.67
	Interest Cost	13.42	13.84
	Net Actuarial (gain)/loss recognised in the period	(41.82)	(37.69)
	Expense recognised in the P&L Statement	61.47	54.82

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

28.3 Amount Recognised in other Comprehensive Income

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Gratuity		
	Actuarial (Gain)/Loss – Due to experience variance	47.15	(6.97)
	Net(Income)/Expense for the period recognized in Other Comprehensive Income	47.15	(6.97)
2	Leave Encashment		
	Actuarial (Gain)/Loss – Due to experience variance	-	-
	Net(Income)/Expense for the period recognized in Other Comprehensive Income	-	-
	Actuarial Assumptions		
	(Financial)		
	Discount Rate	6.25%	7.5%
	Estimated rate of increase in salary	5%	5%
	Rate of return on plan assets		
	(Demographic)		
	Mortality basis	Indian Assured Lives Mortality (2012-14) Ult.	
	Attrition	0.1	0.1
	Disability		No explicit allowance

Sensitivity Analysis

Change in Valuation Assumption	Gratuity – PV of liability obligations	Leave – PV of liability obligations
Discount rate Δ (-1%)	50213732	27102977
Discount rate Δ (0%)	46891031	25465593
Discount rate Δ (+1%)	43932331	23996889
Salary Esc. Rate Δ (-1%)	43858010	23956293
Salary Esc. Rate Δ (0%)	46891031	25465593
Salary Esc. Rate Δ (+1%)	50242075	27118275

NOTE : 29 FINANCIAL COST

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Interest Expenses	1166.28	2211.54
2	Exchange difference as an adjustment to borrowing cost	-	261.26
3	Other Borrowing Cost	167.46	67.71
	Total	1333.74	2540.51

29.1 The lenders of the company has approved corporate debt restructuring package of the company in financial year 2014-15. However, the company has defaulted in repayment of borrowing to lenders and failed to comply with terms of repayment approved by lenders in corporate debt restructuring package.

29.2 The company has not provided interest expenses of ₹ 1214.89 lakh for the year ended March 31, 2020 respectively and ₹ 1133.94 lakh for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement. The company is in discussion with all the lenders to settle the outstanding dues .

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

NOTE: 30 DEPRECIATION & AMORTISED EXPENSES

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Depreciation	2134.37	2140.68
2	Amortisation of Intangible Assets	1066.86	1257.32
	Total	3201.23	3398.00

NOTE : 31 OTHER EXPENSES

A. Manufacturing Expenses

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Power & Fuel	473.02	486.21
2	Consumables	136.17	282.26
3	Repair & Maintenance		
	- Building	38.93	60.22
	- Electrical	14.68	23.37
	- Plant & Machinery	70.98	60.08
4	Other Manufacturing Expenses	324.17	135.43
	Total	1,057.95	1,047.57

B. Administration Expenses

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Rent	10.71	9.91
2	Rates, Fee & Taxes	65.05	21.52
3	Insurance	58.66	42.74
4	Legal and Professional Expenses	137.80	138.62
5	Postage, Telex & Telegram	6.14	6.43
6	Printing & Stationery	22.84	27.68
7	Telephone Expenses	48.50	26.08
8	Traveling & Conveyance:		
9	- Staff	131.76	87.59
10	- Directors	11.11	13.65
11	- Others	4.71	6.38
	Running, Repair & Maintenance :		
12	- Vehicles	73.63	74.04
13	- Computer	35.98	20.01
14	- Others	9.46	11.72
15	Auditors' Fees	15.44	10.46
16	Directors Remuneration	195.81	194.59
17	Other Administrative Expenses	461.15	112.07
18	Other Corporate Expenses	83.27	74.03
	Total	1,372.02	877.49

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

C. Selling and Distribution Expenses

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Discount / Commission	390.48	276.06
2	Other Selling Expenses	2219.05	1727.22
3	Advertisement & Sales Promotion	600.23	386.38
4	Sample Distribution	288.69	247.04
5	Incentive to Field Force	219.55	122.83
6	Traveling and conveyance Field Staff (Incl. Hotel)	458.12	381.13
	Total	4176.12	3140.66
	GRAND TOTAL	6606.10	5065.73

NOTE : 32 RESEARCH AND DEVELOPMENT EXPENSES

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Remuneration of R & D Staff	416.80	436.71
2	R & D Expenses	111.61	187.21
3	Material used for Development of new products	108.28	214.82
4	R & D Consumables	48.86	56.66
5	IPR , Patent , Technology & Dossiers expenses	739.68	569.90
	Total	1425.23	1465.30

NOTE : 33 EXCEPTIONAL ITEMS:

(₹ in lakh)

Sr. No	Particulars	For the Period Ended 31.03.2020	For the Period Ended 31.03.2019
1	Raw material	-	682.57
2	Packing Material	-	39.93
3	Finished Goods	-	173.55
4	Bank settlement Term Loan & Working Capital (a)	2448.85	-
5	FCCB Interest (b)	686.00	-
6	Impairment of Asset (c)	(4016.06)	-
	Total	(881.21)	896.06

33.1 Exceptional item stated in the statement which resulted due to one time settlement of Loans & Borrowings with IDBI bank, Impairment loss on Capital work in progress and Reversal of Interest provision of Foreign currency convertible bond of previous years.

33.1(a) During year ending on 31st March 2020, the company has made one time settlement (OTS) with IDBI bank for settlement of outstanding Term and Working Capital loans amounting to ₹ 4813 lakh. The company get a waiver of ₹ 1443 lakh on principal outstanding and ₹ 1004.71 lakh on Interest outstanding.

33.1(b) Interest expense of ₹ 686 lakh on Foreign Currency Convertible Bonds (FCCB) provided for previous years have been reversed in the year ended 31st March, 2020

33.1(c) The capital work in progress consists of new office building under construction. The construction work on the building was stopped in previous years. During the year company has carried out impairment study of capital work in progress. As per the impairment study report, there is impairment loss of ₹ 4016.06 lakh shown in statement of Profit & Loss under Exceptional item on impairment of Capital work in progress

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

34. AUDITOR'S REMUNERATION

(₹ in lakh)

Sr. No	Particulars	Current Year	Previous Year
1	Statutory Audit Fees (Including Limited Review Fees)	5.00	5.00
2	Tax Audit Fees	1.00	1.00
	Total	6.00	6.00

35. Related Party Disclosures:

As per IND AS- 24, the disclosures of transactions with related parties during the year are given below.

Names of related parties and description of relationship:

1	Wholly Owned Subsidiary	Venus Pharma GmbH Sunev Pharma Solutions Limited
2	Person in which Director is interested	Spine Software Systems Pvt Limited Sharansh Chaudhary Mr. Pawan Chaudhary Mrs. Manu Chaudhary
3	Key Management Personnel	Mr. Peeyush Jain Mr. Ashutosh Jain Mrs. Neha Kodan

Nature Of Transaction	Transaction during the Year		Outstanding Balance	
	Entity in which Director is interested	Key managerial Personnel	As on 31-03-2020	As on 31-03- 2019
Sales of Asset	1.54	-	-	-
Rent Received	31.62 (30.34)	-	59.62 (R)	16.04 (R)
Purchases and Others	- (24.94)	-	-	-
IT Services	27.59 (24.77)	-	7.52(P)	-
Purchase of Software	239.39 (223.28) -	-	-	-
Remuneration to Directors /KMP	-	195.14 (194.06)	12.01 (P)	11.78 P
Advance given for purchase of goods	- (107.6)	-	123.73 (R)	123.73-R
Salary	36 (36)	-	2.09 (P)	1.31 P

* Previous year figures have been shown in bracket

** Includes exchange fluctuation effect.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

- 36.** The wholly Owned Subsidiary “Venus Pharma GmbH” was operated at Werne, Germany, Accordingly, the Balance Sheet of Wholly Owned Subsidiary has been consolidated along with the Parent Company in accordance with the IND AS 110 Consolidated Financial Statements.”
- 37.** The audited financial statements of foreign subsidiary associates have been prepared in accordance with Generally Accepted Principles of its Country of Incorporation or International Financial Reporting Standards. The differences in accounting policies of the company and its subsidiaries are not material.
- 38.** The As per the provisions of FCCB agreement, the FCCB was to be converted into equity shares by 01-02-2015. However, the bond holder have not exercise their option to convert the bonds into equity shares.

The Holding Company has not translated carrying balances of Foreign Currency Convertible bond at rates prevalent as on 31st March, 2020. As result Finance cost of ₹ 409.14 lakh have been less provided in the books for Year ended March 31, 2020.

Further, the holding company has not provided interest expenses of ₹ 189.63 lakh on Foreign Currency Convertible bond for the year ended 31st March 2020.

Interest expense of ₹ 686 lakh provided for previous years have been reversed in the quarter ended 31st March, 2020 and shown in profit & Loss statement under exceptional item

39. EARNING PER SHARE (IND AS-33)

The calculation of Earning per share (EPS) are based on the earnings and number of shares as computed below:

	(₹ In lakh)	
Profit after Tax	₹ (999.93)	₹ (2857.47)
	No. of shares in lakh as on 31.03.20	No. of shares in lakh as on 31.03.19
Weighted average number of shares in calculating the basic EPS	12.34	12.34
Weighted average number of shares in calculating Diluted EPS	12.34	12.34
Earning per share (Face value ₹ 10 /each)		
Earning per share Basic in ₹	(8.10)	(23.15)
Earning per share Diluted in ₹	(8.10)	(23.15)

- 40.** Fair value of cash and current deposits, trade and other current receivable, trade payable, other current liabilities, current loans from banks and other institution approximate their carrying amount due to current maturities of these instruments.
- 41.** Recent Estimation of uncertainties relating to the global health pandemic from COVID-19

In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. Due to Pandemic the operations were temporarily disrupted at manufacturing site, warehouse and distribution at various locations across India. Further, Domestic and Export businesses were also temporarily disrupted experiencing partial or complete lockdown in the last week of March 2020. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors. The Company has evaluated its liquidity position and of recoverability and carrying values of its assets and has concluded that no material adjustments are required at this stage in the financial results. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

The Company will continue to closely monitor any material changes to future economic conditions. The Company have partially resumed operations after taking into account directives from the Government.

42. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Amount due to vendor	176.19	311.16
Interest due and payable for the year	-	2.55
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	2.55

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

43. The parent company has defaulted in the repayment of loans or borrowings to banks which were persisting as on 31 March, 2020 are as under.

Period of Default*					
Name of the Bank	0-1	1-2	2-3	TOTAL	Interest**
Amount of default as at the balance sheet date*					
CORPORATION BANK (Now Union Bank of India)	241.01	212.61	20.44	474.06	535.98
DENA BANK (Now Bank of Baroda)	232.76	165.99	7.87	406.62	-
EXIM BANK	625.57	726	622.4	1973.97	1793.57
SBI	526.13	582.68	14.35	1123.16	11.14

*Based on Corporate debt restructuring approved by bank.

** Period of default is unascertainable.

44. FINANCIAL RISK MANAGEMENT:

The Company has exposure to the following risks arising from financial instruments:

- i. Credit risk: Credit risk is the risk that counterparty will not meet its obligations leading to a financial loss. The Company is exposed to credit risk arising from trade receivables. All financial assets are initially considered performing and evaluated periodically for expected credit loss. A default on a financial asset is when there is a significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the Company is certain about the non-recovery.
 - a) Trade receivables - The Company has an established credit policy and a credit review mechanism. The concentration of credit risk arising from trade receivables is limited due to large customer base. Management believes that the unimpaired amounts that are past due are collectible in full, based on historical payment behaviour and analysis of customer credit risk.
 - b) Financial instruments and cash deposits – Company periodically reviews the credit risk arising from balances / deposits with banks, other financial assets and current investments, if any, and manage the same accordingly.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

- ii. Liquidity risk: Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Current Financial Liabilities	31.03.2020		31.03.2019	
	Carrying Amount	Less than 1 year	Carrying Amount	Less than 1 year
Borrowings	8557.59	8557.59	11280.37	11280.37
Trade Payables	3669.53	3669.53	3600.27	3600.27
Other Financial Liabilities	9494.30	9494.30	10928.41	10928.41

- iii. Market risk:

Market risk is the risk that the fair value of the future cash flows will fluctuate because of changes in the market prices such as currency risk, interest rates risk and commodity price risk.

- a) Currency risk - The company's operates outside Indian territory also and there is foreign exchange risk to the Company.
- b) Interest rate risk - Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates. The Company is not exposed to significant interest rate risk as at the respective reporting dates.

Commodity risk - The Company has no such risk.

45. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in lakh)

Particulars	Current Year	Previous Year
Contingent Liabilities		
a) Letter of Credit / Bank Guarantees – Inland	-	179.49
b) Bank Guarantees foreign	-	26.06
c) Letter of credit – Foreign	-	30
d) Tax demand pending in appeal	16.34	16.34
Capital commitment	5.00	

There is no liability in the books of Subsidiary Company.

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

46. Disclosure As Per Ind As 112 ' disclosure of Interest In other Entities

Enterprises Consolidated As Subsidiary In Accordance With Ind-As 110 –onsolidated Financial Statements

Name of the Subsidiary	Country of Incorporation	Ownership Interest held by the Venus Remedies Limited(%)		Ownership Interest held by the Non Controlling Interest(%)		Principal Activities
		As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	
Venus Pharma GmbH	Germany	100%	100%	-	-	Sale of Pharmaceutical products

NON CONTROLLING INTEREST

Set out below is summarised financial information for each subsidiary that has non-controlling interest. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet

(₹ in lakh)

Particulars	Venus Pharma GMBH	
	As at 31st March, 2020	As at 31st March, 2019
Current assets	2704.82	2386.56
Current liabilities	2558.12	2118.52
Net current assets/ (liabilities)	146.70	268.04
Non-Current assets	1865.24	1803.58
Non-Current liabilities	26.65	40.76
Net non-current assets/(liabilities)	1838.59	1762.82
Net Assets	1985.28	2030.86
Accumulated NCI	-	-

Summarised statement of profit and loss for the year ended

(₹ in lakh)

Particulars	Venus Pharma GMBH	
	As at 31st March, 2020	As at 31st March, 2019
Total income	8496.35	8814.09
Profit/(loss) for the year	(177.23)	(146.39)
Other comprehensive income/ (expense)	-	-
Total comprehensive income/ (expense)	(177.23)	(146.39)
Profit/(loss) allocated to NCI	-	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

Summarised cash flows for the year ended

(₹ in lakh)

Particulars	Venus Pharma GMBH	
	As at 31st March, 2020	As at 31st March, 2019
Cash flows from/(used in) operating activities	(14.28)	167.93
Cash flows from/(used in) financing activities	(10.85)	(6.00)
Cash flows from/(used in) financing activities	(65.30)	(43.20)
Net Increase / (decrease) in cash and cash equivalents	(90.43)	118.73

DISCLOSURE AS PER SCHEDULE III TO THE COMPANIES ACT,2013

As at March 31, 2020

(₹ in lakh)

Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	₹	As % of consolidated net assets	₹	As % of consolidated profit and loss	₹	As % of consolidated other comprehensive income	₹	As % of total comprehensive income
Parent	33225.35	102.75%	(822.69)	82.28%	(47.15)	100%	(869.85)	83.07%
Venus Remedies Limited								
Foreign subsidiaries								
Venus Pharma GMBH	(888.34)	(2.75%)	(177.24)	17.72%	-	-	(177.23)	16.93%
Total	33237.01	100%	(999.93)	100%	(47.15)	100%	(1047.08)	100%
Adjustments arising out of consolidation								
Non-controlling interest	-	-	-	-	-	-	-	-
Total	32337.01	100%						

NOTES ON CONSOLIDATED FINANCIAL STATEMENT

For the period ended 31st March, 2020

As at March 31, 2019		(₹ in lakh)						
Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	₹	As % of consolidated net assets	₹	As % of consolidated profit and loss	₹	As % of consolidated other comprehensive income	₹	As % of total comprehensive income
Parent	34095.19	102.53%	(2711.08)	94.88%	6.97	100%	(2704.11)	94.86%
Venus Remedies Limited								
Foreign subsidiaries								
Venus Pharma GMBH	(842.76)	(2.53%)	(146.39)	5.12%	-	-	(146.39)	5.14%
Total	33252.43	100%	(2857.47)	100%	6.97	100%	(2850.50)	100%
Adjustments arising out of consolidation								
Non-controlling interest								
Total	33252.43	100%						

- 47.** During the year, both the parent & subsidiary company has undertaken a review of all fixed assets in line with the requirements of IND AS 36 on "Impairment of Assets". Based on such review, no provision for impairment (Except for CWIP) is required to be recognized for the year.
- 48.** In the books, Parent company has provided for gratuity and leave encashment as per valuation which was done as required under IND AS 19 Employees benefits. whereas in subsidiary the Employee law prevailing in the state are complied with.
- 49.** The company operates only in one business segment viz "Pharmaceutical Formulation" and is engaged in manufacturing and trading of medicines In terms of our annexed report of even date.
- 50.** There is no remittance in foreign currency on account of dividend.
- 51.** The figures in the Balance Sheet and Profit & Loss Account for the year have been rounded off to nearest multiple of rupee in lakh.
- 52.** The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

FOR **VINOD KUMAR & ASSOCIATES**
Chartered Accountant
FRN: 002304N

(Mukesh Dadhich)
Partner
M. No. 511741

PLACE : PANCHKULA
DATE : 21.08.2020

For and on behalf of the Board of Directors

(Peeyush Jain)
Deputy Managing
Director
DIN: 00440361

(Neha Kodan)
Company Secretary

(Pawan Chaudhary)
Chairman cum
Managing Director
DIN: 00435503

(Ajeet Kapoor)
CGM Accounts

CORPORATE INFORMATION

Board of Directors

Mr. Pawan Chaudhary, Chairman & Managing Director
Dr. (Mrs.) Manu Chaudhary, Joint Managing Director
Mr. Peeyush Jain, Dy. Managing Director
Mr. Ashutosh Jain, Executive Director
Dr. Gilbert Wenzel, Non-Executive Director
Dr. S. K. Chadha, Non-Executive Director
Mr. Pravindra Singh Chauhan, Non-Executive Director
Mr. Navdeep Sud, Non-Executive Director

Bankers

Union Bank of India
Indian Bank (e-Allahabad Bank)
Kotak Mahindra Bank

Statutory Auditors

M/s Vinod Kumar & Associates

Cost Auditors

M/s C. L. Bansal & Associates

Registered Office

S.C.O. 857, C. No. 10, IIInd Floor, NAC Manimajra
Chandigarh - 160101 (INDIA)

Corporate Office and Unit - I

CIN: L24232CH1989PLC009705
Plot 51-52, Industrial Area, Phase-I,
Panchkula (Haryana) - 134 113 (INDIA)
www.venusremedies.com
info@venusremedies.com

Unit II

Hill Top Industrial Estate,
Near Jharmajri, E.P.I.P.
Phase - I, (Extention) Village Bhatoli Kalan,
Baddi, Himachal Pradesh - 173 205 (INDIA)

Venus Medicine Research Centre

Hill Top Industrial Estate,
Near Jharmajri, E.P.I.P.
Phase - I, (Extention) Village Bhatoli Kalan,
Baddi, Himachal Pradesh - 173 205 (INDIA)

Wholly owned Subsidiary

Venus Pharma GmbH
Am Bahnhof 1-3,D-59368
Werne, Germany
Website: www.venuspharma.de

Board Committees

Audit Committee
Stakeholder Relationship Committee
Nomination & Remuneration Committee
Executive Committee of Board
CSR Committee

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
Nobel Heights, 1st Floor,
Plot NH2, C-1 Block LSC
Near Savitri Market
Janakpuri, New Delhi 110058
Email Address : delhi@linkintime.co.in

Visit us at

www.venusremedies.com
www.vmrcindia.com
www.venuspharma.de

Cautionary statement

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion on future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and estimates taken as assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.



VENUS REMEDIES LIMITED

Registered Office:

SCO 857, Cabin No. 10, 2nd Floor,
NAC Manimajra Chandigarh (U.T.)
160101, India

Corporate Office:

51-52, Industrial Area, Phase-1,
Panchkula, Haryana - 134113, India
CIN: L24232CH1989PLC009705
www.venusremedies.com



VENUS REMEDIES LIMITED

Registered Office: SCO 857, Cabin No. 10, 2nd Floor, NAC Manimajra Chandigarh (U.T.) 160101, India

Corporate Office: 51-52, Industrial Area, Phase-1, Panchkula, Haryana - 134113, India

CIN: L24232CH1989PLC009705

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 31st Annual General Meeting of Members of the company is scheduled to be held on Wednesday, 02nd December, 2020 at 11.30 A.M. through Video Conferencing/ Other Audio Visual Means (“VC/OAVM”) Facility to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt, with or without modifications, Financial Statements including Balance Sheet as on March 31, 2020 and the Profit and Loss Account for the year ended on that date along with the Auditors’ Report and Directors report thereon.
2. To appoint Mr. Peeyush Jain (DIN: 00440361) as an ordinary director who retires by rotation and being eligible has offered himself for re-appointment.

SPECIAL BUSINESS

Item No. 3: Ratification of Remuneration to the Cost Auditors

To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to 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 thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs. 80,000 payable to M/s C. L. Bansal & Associates, Cost Accountant who is appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2020-21.”

Item 4.: To appoint Mr. Navdeep Sud (DIN: 0008764371) as a Non executive Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Board of directors in their meeting appointed Mr. Navdeep Sud (DIN: 0008764371), as an additional director (Independent Non-Executive Director) w.e.f. 20th June 2020 in terms of section 161 of the Companies Act, 2013, and whose term of office expires at the 31st Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of five consecutive years with effect from 20th June, 2020 to 19th June 2025 on terms and conditions as set out in Explanatory Statement and whose office shall not be liable to retire by rotation.

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

Item 5. Approval of Material Related Party Transactions

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

“RESOLVED THAT pursuant to provisions of regulation 23(4) of the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 and section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Power) Rules, 2014 as applicable thereon (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and any amendment thereto and subject to such other approvals and sanctions of any authority as may be necessary, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred), to enter into contract(s) /arrangement(s) /transaction(s) including Sale/ Purchase of Goods and Services, Reimbursement of Expenses, Rent, Salary payment, providing corporate guarantees and investment in equity or preference share capital (in the ordinary course of business and on arm’s length price) in a single financial year(FY) w.e.f. FY 2020-2021 onwards with Venus Pharma GmbH, Werne, Germany, a wholly owned subsidiary within the meaning of the aforesaid clause, and a related party, on such material terms and conditions as may be mutually agreed upon, the value of which either singly or all taken together may exceed ten percent of the annual consolidated turnover of the Company as per audited financial statements of the last financial year.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution; sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s) of the Company as it may

Item 6. To pass following resolution with or without modification as a Special Resolution:

“RESOLVED THAT “RESOLVED THAT pursuant to Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, each as amended, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”), Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”) and any other applicable laws, rules and regulations, circulars, notifications, clarifications, guidelines issued by the Government of India, the Securities and Exchange Board of India (“SEBI”) and the stock exchanges where the shares of the Company are listed (“Stock Exchanges”), or any other authority / body and enabling provisions in the Memorandum and Articles of Association of the Company, and subject to necessary approvals, sanctions, permissions of appropriate statutory / regulatory and / or other authorities and persons, if applicable and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals / sanctions / permissions and / or consents, if any, and which may be agreed by the board of directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include any committee(s), which the Board has constituted or may constitute to exercise its powers, including the powers conferred on the Board by this resolution), consent of the members of the Company be and is hereby accorded to the Board, to create, issue, offer and allot, from time to time, in one or more tranches, upto 10,25,000 warrants of a face value of Rs. 10 each with an option to convert them fully into equity shares of the company on preferential basis in one or more tranches to Mr. Pawan Chaudhary & Dr. (Mrs.) Manu Chaudhary, promoters of the Company within 18 months from the date of allotment of warrants at such price as shall be determined in accordance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018. These warrants are convertible into equity shares subject to a ceiling limit of 5% of total paid up share capital in a financial year applicable to promoters.

Proposed allottees are:

Sr. No.	Name	PAN	Category	No. of warrants
1.	Mr. Pawan Chaudhary	AALPC5452D	Promoters	600,000
2.	Dr. (Mrs.) Manu Chaudhary	AALPC5453C	Promoters	425,000

RESOLVED FURTHER THAT the proposed allottees shall pay 25 % of the total consideration as upfront money before the allotment of the warrants and the balance 75% shall be payable by the warrant holder(s) at the time of exercising conversion of Equity Warrants.

RESOLVED FURTHER THAT the warrants shall be issued and allotted in dematerialized form by the Company to the Proposed Allottees within a period of 15 days from the date of passing of this resolution, provided that where the allotment of the said warrants is pending on account of pendency of any approval for such allotment by Stock Exchanges, SEBI, any regulatory authority(s) or the State/Central Government, the allotment shall be completed within a period of 15 days from the date of receipt of such approval which ever is later.

RESOLVED FURTHER THAT the warrant holders shall have the option of subscribing for one equity share of Rs. 10/- each per warrant in one or more tranches at a price determined in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 at any time within 18 months from the date of allotment of the warrants and if the warrant holders opt not to convert the same within the said period, the upfront 25% price shall stand forfeited as per the said Regulations.

RESOLVED FURTHER THAT in accordance with the provision of Chapter V of the SEBI (ICDR) Regulations 2018 the "Relevant Date" for the purpose of calculating the price for the issue of warrants fully convertible into equity shares be and is hereby fixed as November 02, 2020 being 30 days prior to the date of Annual General Meeting.

RESOLVED FURTHER THAT the fully convertible warrants and equity shares on conversion of warrants shall be subject to the terms and conditions including but not limited to lock-in in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable provisions.

RESOLVED FURTHER THAT the Equity shares issued on

conversion of warrants shall be in all respect rank pari-passu with the existing fully paid up equity shares of the Company, including entitlement to dividend.

RESOLVED FURTHER THAT the Equity share to be so allotted shall be in dematerialized form and shall be subject to the provisions of Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide the allotment dates in consonance with the provision of the SEBI (Issue of Capital and Disclosure Requirement)Regulations, 2018, the dates of the allotment agreed between the Promoters and the Company, other terms of offer, issue and allotment of the aforesaid equity shares provided that aforesaid equity shares to be allotted in terms of this resolution shall be made fully paid up at the time of allotment and shall rank pari-passu with the existing equity shares of the Company in all respects and the equity shares shall be subject to lock-in for such period that may be prescribed under the SEBI (Issue of Capital and Disclosure Requirement)Regulations, 2018.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution(s), the Board be and is hereby authorised on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including to seek listing of the equity shares to be issued and allotted and to modify, accept and give effect to any modifications in the terms and conditions of the issue as may be required by the Stock Exchanges, SEBI, the statutory, regulatory and other appropriate authorities and such other approvals and as may be agreed by the Board, and to settle all questions, difficulties or doubts that may arise in the proposed issue, pricing of the issue, offer and allotment of the equity shares arising there from, including utilization of the issue proceeds and to execute all such deeds, documents, writings, agreements, applications in connection with the proposed issue as the Board may in its absolute discretion

deem necessary or desirable without being required to seek any further consent or approval of the Members or otherwise with the intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors / Officials of the Company to give effect to this resolution.”

By order of Board

For **VENUS REMEDIES LIMITED**

Sd/-

(PAWAN CHAUDHARY)

CHAIRMAN & MANAGING DIRECTOR

Date: 06.11.2020

Place: Panchkula

NOTES

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. Information on all the Directors proposed to be appointed/re-appointed at the Meeting as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 are provided in the **Annexure** to this Notice.
2. In view of the COVID 19 pandemic, the Ministry of Corporate Affairs vide its Circular dated 5th May, 2020 read with Circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as 'Circulars'), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/ Meeting) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2020 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith (Collectively referred to as Notice) have been sent only to those members whose e- mail ids are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member. The Notice has also been hosted on the website of the Company www.venusremedies.com
3. The members who have not yet registered their e- mail ids with the Company may mail to the company on complianceofficer@venusremedies.com for registering their e- mail ids on or before 18th October 2020. The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes.
4. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
5. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility.
6. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
7. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings by logging into the <https://instameet.linkintime.co.in>. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.
8. In accordance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and applicable provisions of the SEBI Listing Regulations, the Company has engaged the services of Link Intime India Private Ltd. to provide the facility of voting through electronic means to the members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting.
9. The facility of e-voting through the same portal provided by of Link Intime India Private Ltd will be available during the Meeting through VC also to those Members who do not cast their votes by remote e-voting prior to the Meeting. Members, who cast their votes by remote e-voting, may attend the Meeting through VC but will not be entitled to cast their votes once again.
10. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 31st AGM.. However, corporate members are required to send to the Company/ RTA/ Scrutinizer, a certified copy of the Board Resolution, pursuant to section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC.

11. Members are requested to intimate to the company, change if any, in their registered address at an early date and quote their ledger folio number in all their correspondence.
 12. The Register of Members and Share Transfer Books will remain closed from 26th November, 2020 to 02nd December, 2020 (both days inclusive) for the purpose of Annual General Meeting.
 13. Members who wish to claim Dividends, which remain unclaimed, are requested to either correspond with the Secretarial Department at the Company's registered office/corporate office or the Company's Registrar & Share Transfer Agent (Link Intime India Private Limited) for revalidation and encash them before the due dates.
 14. In accordance with the provisions of section 124 of the Companies Act, 2013 and rules made thereunder, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by Central Govt. In terms of the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund), Rules 2016, the Company has uploaded the unclaimed dividend amount lying with the Company on its website.
 15. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the company /Registrar and Share Transfer Agent for registration of such transfer of shares.
 16. Pursuant to the amendment to Regulation 40 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, with effect from December 5, 2018 transfer of securities shall be in dematerialized form only. Therefore all the physical share holders are advised to dematerialize their securities.
 17. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Link Intime India Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
- The instructions for shareholders voting electronically are as under:
- The e-voting period commences on 29th November, 2020 (9.00 a.m. IST) and ends on 01st December, 2020 (5.00 p.m. IST). The cut off date for determining the eligibility to vote by electronic means or at AGM is 25th November 2020. The e-voting module shall be disabled by LIPL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.
 - The voting rights of members shall be in proportion to their share of paid up equity share capital of the company as on the cut off date i.e. 25th November, 2020.

Instructions for shareholders to vote electronically:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- ▶ Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -
 - A. User ID:** Enter your User ID
 - Shareholders/members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders/members holding shares in **CDSL demat account shall provide either ‘C’ or ‘D’, above**
 - Shareholders/members holding shares in **NSDL demat account shall provide ‘D’, above**
 - Shareholders/members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click “confirm” (Your password is now generated).

NOTE: If Shareholders/members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.
4. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
7. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click, else to change your vote, click on ‘No’ and accordingly modify your vote.

8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

If you have forgotten the password:

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character(@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.

During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Other Instructions:

- (i) Mr. Prince Chadha, of M/s P. Chadha & Associates, Practicing Company Secretary (Membership No. ACS 32856), has been appointed as the Scrutinizer to conduct the e-voting process in a fair and transparent manner.
- (ii) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, to the Chairman of the Company.
- (iii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.venusremedies.com and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- iv) All documents referred in the notice & explanatory statement shall be open for inspection at corporate office of the company upto the date of Annual General Meeting during normal business hours on all working days except Saturdays.

In accordance with the aforementioned MCA Circulars, the Company has appointed Link Intime India Private Ltd. for providing the VC facility to the members for participating in the Meeting. The members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism:

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- ▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -
 - B. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding **shares in CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/

Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.
 - D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure)for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on complianceofficer@venusremedies.com
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/ registered email id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against'.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

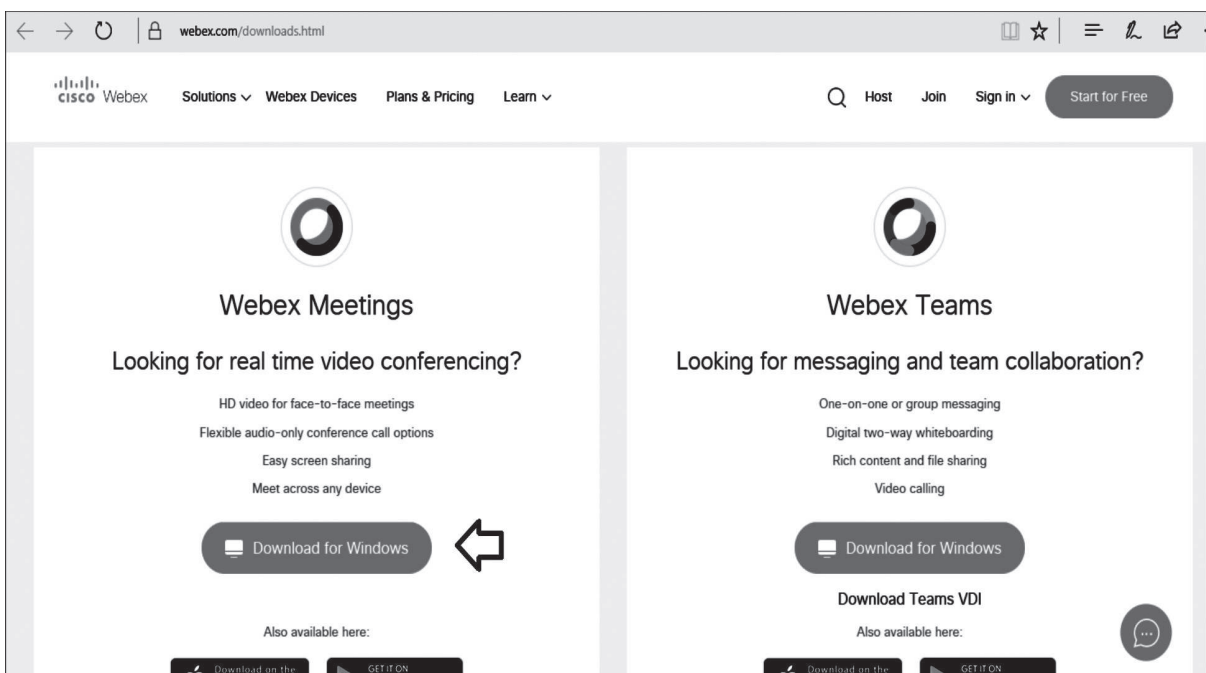
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

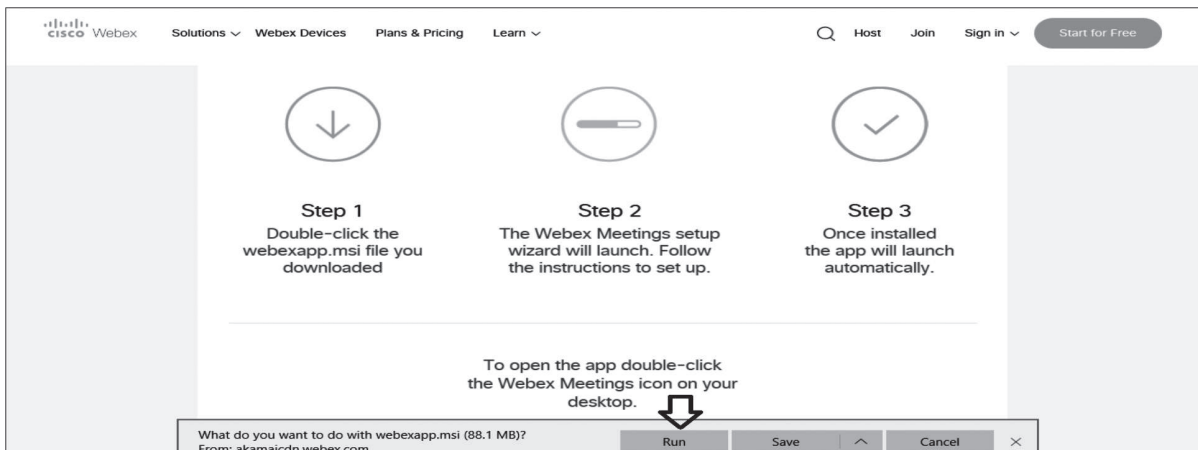
Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by following link <https://www.webex.com/downloads.html/>





Step 1
Double-click the webexapp.msi file you downloaded

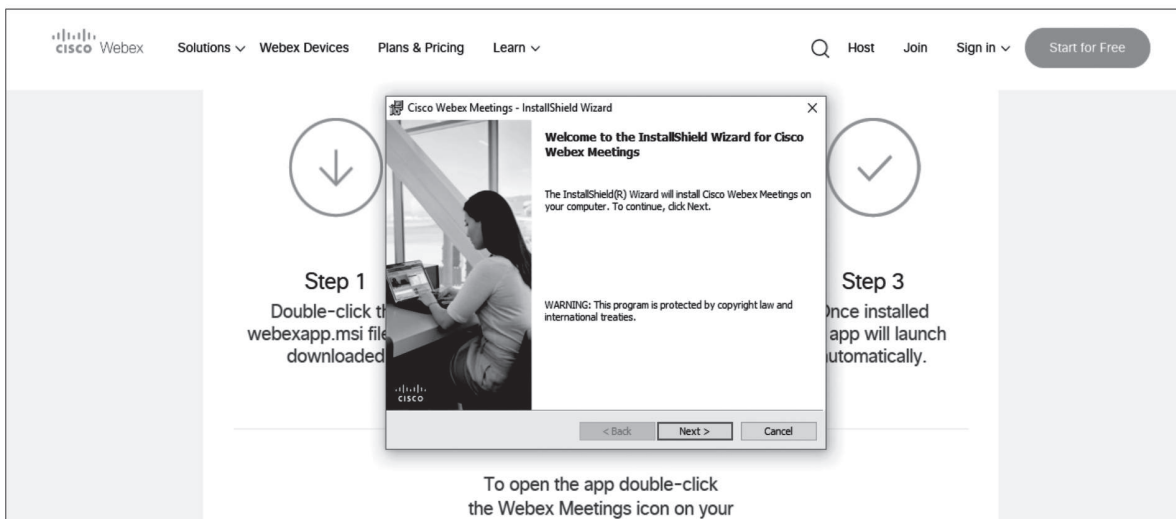
Step 2
The Webex Meetings setup wizard will launch. Follow the instructions to set up.

Step 3
Once installed the app will launch automatically.

To open the app double-click the Webex Meetings icon on your desktop.

What do you want to do with webexapp.msi (88.1 MB)?
From: akamaicdn.webex.com

Run Save ^ Cancel X



Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

To open the app double-click the Webex Meetings icon on your

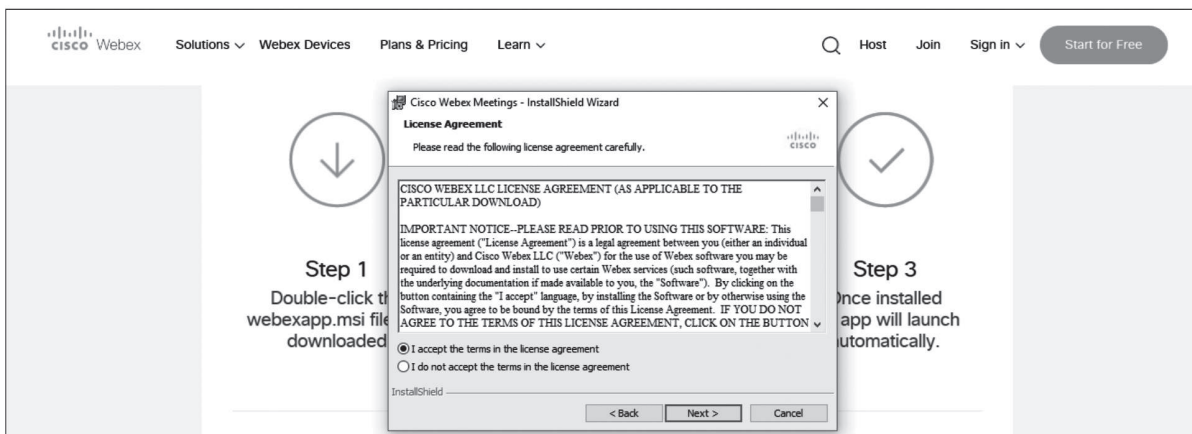
Cisco Webex Meetings - InstallShield Wizard

Welcome to the InstallShield Wizard for Cisco Webex Meetings

The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next.

WARNING: This program is protected by copyright law and international treaties.

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Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

Cisco Webex Meetings - InstallShield Wizard

License Agreement

Please read the following license agreement carefully.

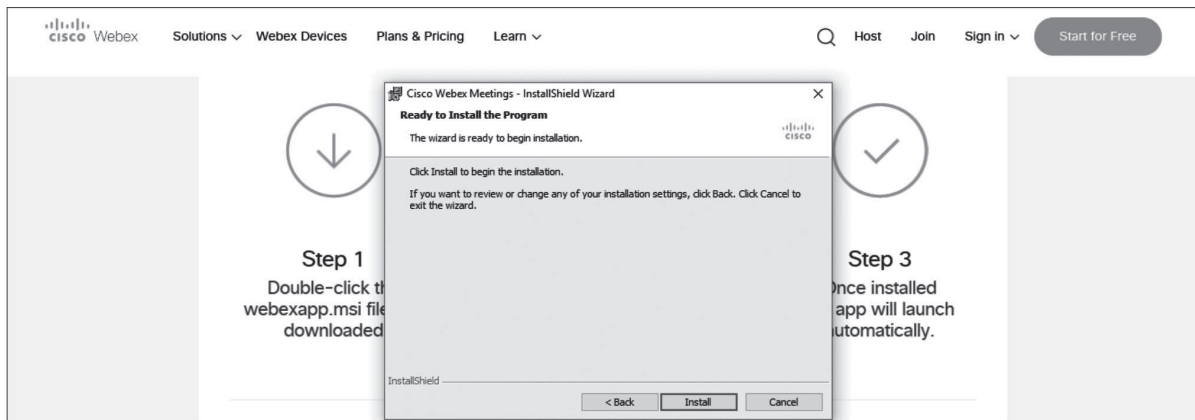
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IMPORTANT NOTICE--PLEASE READ PRIOR TO USING THIS SOFTWARE: This license agreement ("License Agreement") is a legal agreement between you (either an individual or an entity) and Cisco Webex LLC ("Webex") for the use of Webex software you may be required to download and install to use certain Webex services (such software, together with the underlying documentation if made available to you, the "Software"). By clicking on the button containing the "I accept" language, by installing the Software or by otherwise using the Software, you agree to be bound by the terms of this License Agreement. IF YOU DO NOT AGREE TO THE TERMS OF THIS LICENSE AGREEMENT, CLICK ON THE BUTTON

I accept the terms in the license agreement
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InstallShield

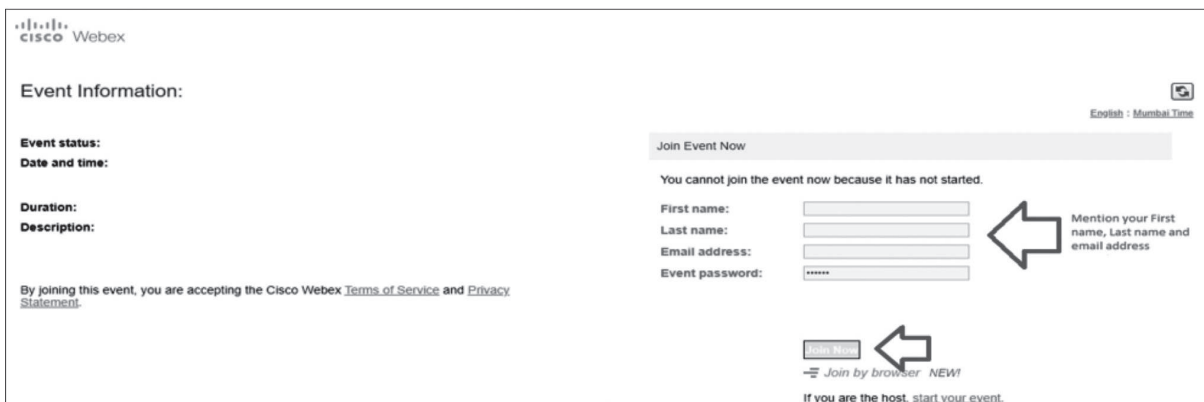
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Or

B) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.
	Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



Date : 06.11.2020
Place : Panchkula

By order of Board
For **VENUS REMEDIES LIMITED**
Sd/-
(PAWAN CHAUDHARY)
CHAIRMAN & MANAGING DIRECTOR

EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

Item 3

In accordance with the provisions of Section 148 of the Act, and the Companies (Cost Record and Audit) Rules 2014, as amended from time to time, the Company is required to appoint a cost auditor to audit the cost records of Company. On the recommendation of the Audit Committee at its meeting held on 20th June 2020 the Board has approved the appointment of M/s C. L. Bansal & Associates, Cost Accountant as the Cost Auditor of the Company for the financial year 2020-21 at a remuneration of Rs.80000/- (Rupees Eighty Thousand only) Inclusive of all out of pocket expenses incurred, if any, in connection with the cost audit.

The remuneration of the cost auditor is required to be ratified subsequently in accordance to the provisions of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014. Accordingly, the Directors recommend the Ordinary Resolution to the members for their approval. None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No. 3 of the Notice

Item No. 4

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors, appointed Mr. Navdeep Sud (DIN: 0008764371) as an Additional Director with effect from 20th June 2020 under Section 161(1) of the Companies Act, 2013 upto the 31st Annual General Meeting (AGM) of the Company. Mr Navdeep Sud submitted a declarations that as an Independent Non-Executive Director of the Company under Section 149 of the Companies Act, 2013 for a term of five consecutive years to hold office from 20th June 2020 to 19th June 2025, subject to the approval of the members.

Mr. Navdeep Sud, aged 61 years is a Law Graduate from Punjab University, Chandigarh and is retired from the position of Dy. Director General in the rank of Joint Secretary to Govt. of India. Presently, a practicing Advocate in Punjab & Haryana High Court. Mr. Navdeep Sud does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Navdeep Sud has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Navdeep Sud fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his appointment as an Independent Non-Executive Director of the Company and is independent of the management. Draft Copy of the letter for appointment of Mr. Navdeep Sud as an Independent Non- Executive Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day.

Mr. Navdeep Sud will be getting the sitting fees for attending the meetings of Board and its committees as per the limits prescribed under the Companies Act, 2013. He will not be entitled for any other remuneration. The Board considers that his association would be of immense

benefit to the Company and it is desirable to avail services of Mr. Navdeep Sud as an Independent Non-Executive Director for a term of five consecutive years. He would bring his immense experience to the Company in the areas of Policy making, Administration and Regulatory framework.

Mr. Navdeep Sud is not on the Board of any other Company. Except Mr. Navdeep Sud, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise. Other details as set out under Regulation 36(3) of SEBI (LODR), Regulations, 2015. are given in the annexure-1 attached to this notice.

Accordingly, based on recommendation of Nomination and Remuneration Committee, the Board recommends Ordinary Resolution as set out at Item No. 4 of the Notice of the AGM for the approval by the members.

Item No. 5

Pursuant to Sec 188 of the Companies Act 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 and regulation 23 (4) of the Listing Regulations, Company is required to obtain prior approval of the members

by resolution in case, related Party Transaction exceed such as is specified in the rules/regulations.

However, Pursuant to the Regulation 23(4) of Listing Regulations, approval of shareholders through Resolution is required for all the "material" related party transactions, even if they are entered into the ordinary course of business on an arm's length basis. For this purpose, a related party transaction will be considered 'material' if the transaction(s) to be entered into individually or take together with previous transactions during the financial year exceed 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The following transactions (in the ordinary course of business and on arm's length price to be entered into by the Company, together with the transactions already entered into by the Company with Venus Pharma GmbH, a wholly owned subsidiary and a related party, during the financial year 2020-21 onwards are estimated to exceed the 10% of the annual consolidated turnover of the Company as per the last audited financial statement of the company.

The other related information as envisaged under Companies (meeting of Board and its Powers) Rules, 2014 and any amendments thereto are given herein below:

Name of the related party and nature of relationship.	Venus Pharma GmbH, a wholly owned subsidiary
Name of the director and Key Managerial Personnel interested in any contract or arrangements, if any.	Mr. Pawan Chaudhary Mr. Ashutosh Jain
Nature of relationship	Directors
The nature of the contract and particulars of the contract or arrangement, material terms of contract or monetary value.	Nature: Sale/ Purchase of Goods and Services, Reimbursement of Expenses, Rent, Salary payment, providing corporate guarantees and investment in equity or preference share capital. Duration: Financial year 2019-20 onwards Monetary value: Either singly or all taken together may exceed ten percent of the annual consolidated turnover of the Company as per audited financial statements of the last financial year. Material Terms- As agreed between the parties
Any advance paid or received for the contract or arrangement, if any;	As per industry norms.
The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;	As per industry norms.
whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors.	Yes
Any other information relevant or important for the members to take a decision on the proposed resolution.	N.A.

Hence owing to the materiality of the contact(s)/ arrangement(s)/ transaction(s) with Venus Pharma GmbH, a wholly owned subsidiary, the approval of the members is being sought through Item No. 5

Item No. 6

The following details of the proposed preferential issue of equity shares are disclosed in accordance with the provisions of Chapter V-“Preferential Issue” of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time:

A. OBJECT OF THE PREFERENTIAL ISSUE:

Object:

The Company is a research based pharmaceutical company & dedicated to develop novel, innovative research products for key unmet medical needs in the field of anti-microbial resistance, oncology, wound care & pain management at par with global quality standards. The company has to invest for constant & perpetual innovation towards exploring novel platform technologies in the form of New Drug Delivery Systems or Targeted drug deliveries and Diagnostic. Therefore, to continue its research programmes, the funds from the proposed issue shall be infused for the Research & Development activities, creation of Intellectual property, for the prospective growth of the Company besides upgradation,

modernization of existing manufacturing facilities to maintain highest quality standards.

B. PROPOSAL/INTENT OF THE PROMOTERS, DIRECTORS AND KEY MANAGEMENT PERSONS OF THE COMPANY TO SUBSCRIBE TO THE PROPOSED PREFERENTIAL OFFER:

It is proposed to authorise the Board of Directors to issue and allot, upto 1,025,000 warrants of a face value of Rs. 10 each with an option to convert them fully into equity shares of the company on preferential basis in one or more tranches to Mr. Pawan Chaudhary & Dr. (Mrs.) Manu Chaudhary, promoters of the Company at such price as shall be determined in accordance with SEBI Regulations. These warrants are convertible into equity shares subject to a ceiling limit of 5% of total paid up share capital in a financial year applicable to promoters. Mr. Pawan Chaudhary is holding 9,87,000 equity shares of Rs. 10/- each & Dr. (Mrs.) Manu Chaudhary is holding 11,43,000 equity shares of Rs. 10/- each. The proposed allottees have made a proposal to the company for further allotment of 1,025,000 fully convertible warrants. Except the above, none of the directors or key management persons intends to subscribe to the equity shares.

C. SHAREHOLDING PATTERN BEFORE AND AFTER THE PREFERENTIAL ISSUE:

Category	Pre-Issue Equity Holdings		Post-Issue Equity Holdings	
	No. of Shares	% of Share Holding	No. of Shares	% of Share Holding
1) Promoter Holdings				
a. Indian Promoters/ promoter group	4430050	35.89%	54,55,050	40.81%
b. Foreign Promoters	-	-	-	-
Sub-total (A)	4430050	35.89%	54,55,050	40.81%
2) Public Holding				
a. Institutional				
Mutual Funds	0	0	0	0
Foreign Portfolio Investors	5000	0.04	5000	0.04
Financial Institutions/ Bank	0	0	0	0
Sub total (B1)	5000	0.04	5000	0.04
b. Non Institutional				
Individual	7535718	61.06	7535718	56.38
Clearing Members	89476	0.73	89476	0.67
Body Corporates	281744	2.28	281744	2.11
Sub total (B2)	7906938	64.07	7906938	59.15
Sub total (B1)+(B2)				
Total (A) +(B)	12341988	100%	13366988	100%

D. PROPOSED TIME OF ALLOTMENT:

In terms of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018, allotment of convertible warrants in the present Preferential Issue will be made in dematerialized form within a period of 15 days from the date of passing of the aforesaid Resolution, or where any approval is required from SEBI, Stock Exchange(s), Central Govt. or regulatory authorities in a period of 15 days from the date of receipt of such approval, whichever is later. Further, the conversion of the warrants into equity shares at the option of the holders can be made within 18 months from the date of issue/allotment of underlying warrants in one or more tranches.

E. Identity of the natural persons who are ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees:

The warrants are proposed to be allotted to persons belonging to the promoters / promoter group of the Company. The details of the proposed allottees are as per the following table. No change in control or management of the Company is contemplated consequent to the proposed preferential issue of warrants and resultant Equity Shares being allotted. However, voting rights will change in accordance with the shareholding pattern. The pre and post issue holding of the proposed allottees are as under :

Name of the proposed allottees	Ultimate Beneficial Owners of the proposed allottee(s)	Category	Pre issue holding	% to pre issue capital	Post issue holding	%to post issue capital
Mr. Pawan Chaudhary	Mr. Pawan Chaudhary	Promoter	987000	7.997%	1,587,000	11.87%
Dr. (Mrs.) Manu Chaudhary	Dr. (Mrs.) Manu Chaudhary	Promoter	1143000	9.26%	1,568,000	11.73%

F. Change in management:

There will not be any change in the management control of the Company on account of this proposed preferential allotment except minor change in the shareholding pattern as well as voting rights.

G. Lock in requirements:

The Equity Shares to be allotted on preferential basis shall be subject to lock-in as per applicable SEBI regulations in this regard.

H. AUDITOR' CERTIFICATE:

M/s Vinod Kumar & Associates, Chartered Accounts, the Statutory Auditors of the Company have certified that the preferential issue is being made in accordance with the requirements contained in SEBI (SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018. A copy of the certificate shall be laid before the shareholders at their proposed Annual General Meeting.

I. UNDERTAKING TO RE-COMPUTED PRICE

The Company undertakes that Company shall re-compute the price of the warrants convertible into equity shares, if so required in terms of provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

J. UNDERTAKING TO CONTINUE LOCKED-IN TILL THE TIME AMOUNT PAID BY THE ALLOTTEES IN CASE PRICE RE-COMPUTED

The Company undertakes that if the amount payable on

account of re-computation of price is not paid within the time stipulated in the said Regulations, the convertible warrants and or equity shares shall continue to be locked-in till such amount is paid by the allottees.

K. No preferential allotment has been made during the year to any person (s).

L. The convertible warrants shall be allotted for cash consideration only

M. RELEVANT DATE:

The relevant date for the purpose of calculating the price for the issue of warrants fully convertible into equity shares be and is hereby fixed as 02nd November, 2020 i.e. 30 days prior to the date of Annual General Meeting.

N. The Company has obtained income tax Permanent Account Number of the proposed allottees

O. LOCK-IN REQUIREMENTS

The convertible warrants/equity shares on conversion shall be subject to lock-in as per provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended further time to time.

None of the Directors except Mr. Pawan Chaudhary, Dr. (Mrs.) Manu Chaudhary, Mr. Peeyush Jain & Mr. Ashutosh Jain are connected or interested in the resolution.

Furthermore, as per Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an

invitation to subscribe to securities on a Preferential basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution, for each of the offers and invitations.

The approval of the Members is accordingly being sought by way of a Special Resolution under Sections 42 and 62 of the Companies Act, 2013 read with the rules made there under.

Annexure -1

Profile of Directors proposed to be appointed/re-appointed

Name of Director	Mr. Navdeep Sud
Date of Birth	02.02.1959
Expertise in functional area	A Law Graduate, Mr Navdeep Sood has served as Regional Labour Commissioner (c), & Dy. Chief Labor Commissioner (c) and is retired as Dy. Director General in the rank of Joint Secretary to Govt. of India. He has vast experience of more then 30 years and expertise in the field of industrial relations and labor laws and other legal matters.
Qualifications	Law Graduate
Directorships held in other companies (excluding foreign companies)	Nil
Committee position held in other companies	Nil
No. of shares held: (a) Own (b) For other persons on a beneficial basis	Nil
Relationship with any Director(s) of the company	No

For **VENUS REMEDIES LIMITED**

Date : 06.11.2020
Place : Panchkula

Sd/-
(PAWAN CHAUDHARY)
CHAIRMAN & MANAGING DIRECTOR
(DIN- 00435503)

