



CIN No : L24239MH1987PLC043662

Date: September 06, 2023

To,

BSE Limited

Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai — 400 001

Scrip Code No: 539730

Sub: Submission of Annual Report for the Financial year 2022-23

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed copy of the Annual Report for the Thirty-Sixth (36th) Annual General Meeting (AGM) of Fredun Pharmaceuticals Limited ("the Company") to be held on **Friday, September 29, 2023 at 09:00 A.M. (IST)** through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). The same has being sent today i.e. September 06, 2023 by email to those members whose email address are registered with the Company /Depository Participant(s). The said notice is also available on the website of the Company at www.fredungroup.com

Kindly take same on record.

Thanking you,

Yours faithfully

For Fredun Pharmaceuticals Limited

Jinkal Soni

(Jinkal Shah)

Company Secretary and Compliance Officer

Encl: a/a

Registered Office: Urmi Estate, 11th Floor, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai - 400013.

Phone No.: 91-22- 4031 8111 **Fax:** 91-22-4031 8133

Factory: 14,15,16, Zorabian Industrial Complex, Vevoor, Palghar (E), Dist: Palghar - 401 404.

Phone No.: +917045957828, +917045957829, +917045957830, +917045956857

E-Mail: business@fredungroup.com **Web:** www.fredungroup.com

FREDUN PHARMACEUTICALS LIMITED

COMPASSIONATE HEALTHCARE

**36th ANNUAL
REPORT
2022-23**



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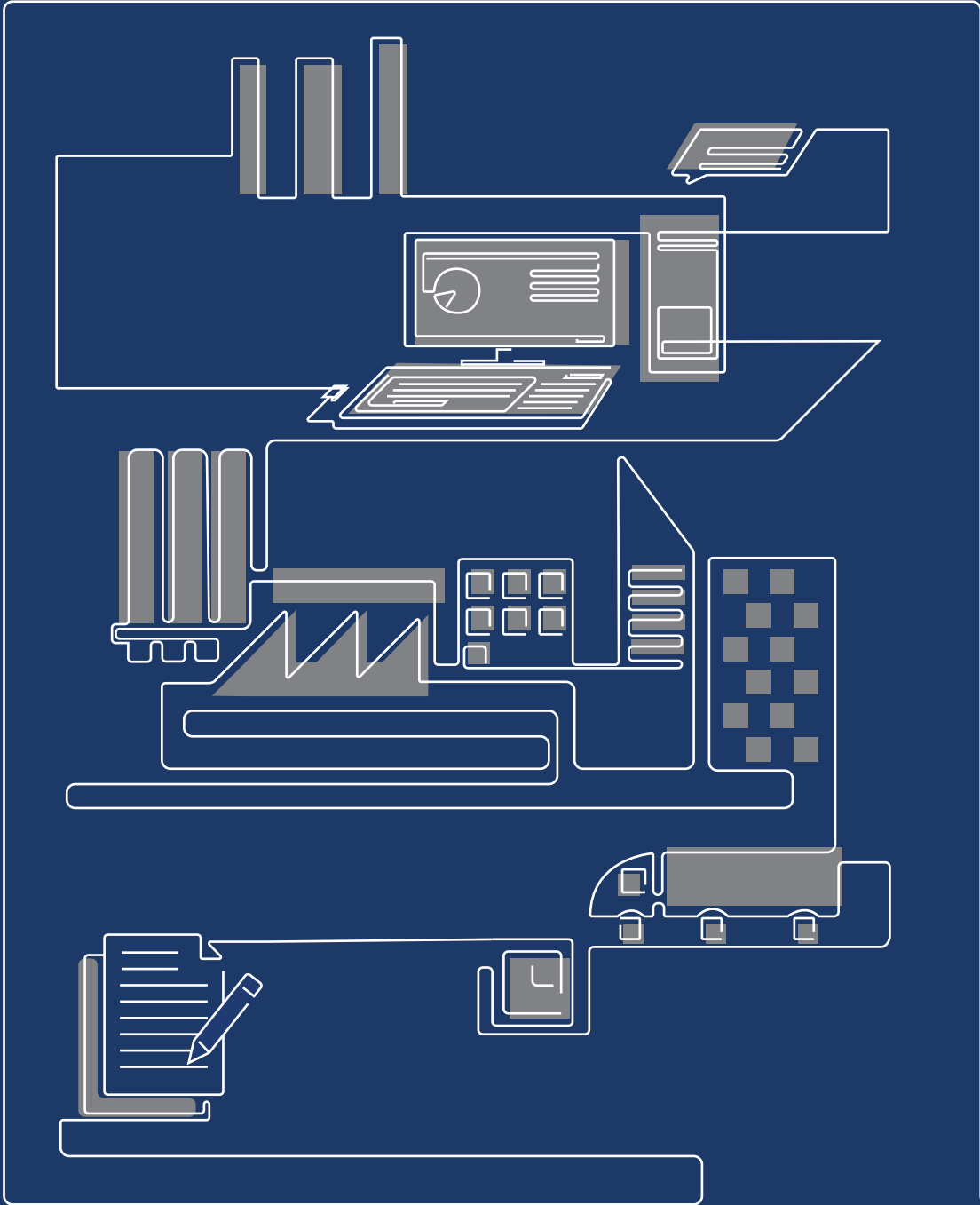
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01

CORPORATE INFORMATION

CORPORATE INFORMATION

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Dr. (Mrs.) Daulat Medhora	Chairperson & Jt. Managing Director
Mr. Fredun Medhora	Managing Director & Chief Financial Officer
Mr. Nariman Medhora	Non - Executive Director
Dr. Aspi Raimalwala	Non - Executive Independent Director
Dr. Chandrakant Shah	Non - Executive Independent Director (Resigned w.e.f July 19, 2023)
Dr. Rohinton Kanga	Non - Executive Independent Director
Ms. Jinkal Shah	Company Secretary & Compliance Officer

REGISTERED OFFICE

"URMI ESTATE", 11th Floor, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai - 400 013
Tel. No.: +91 22 4031 8111
Fax No.: +91 22 4031 8133
Email Id.: business@fredungroup.com
Website: www.fredungroup.com

PLANT SITE

14, 15, 16 Zorabian Industrial Complex, Vevoor, Palghar (E), Palghar - 401 404
Tel. No.: +91 70459 57829 / 30

STATUTORY AUDITORS

M/s. Savla & Associates Chartered Accountants

SECRETARIAL AUDITORS

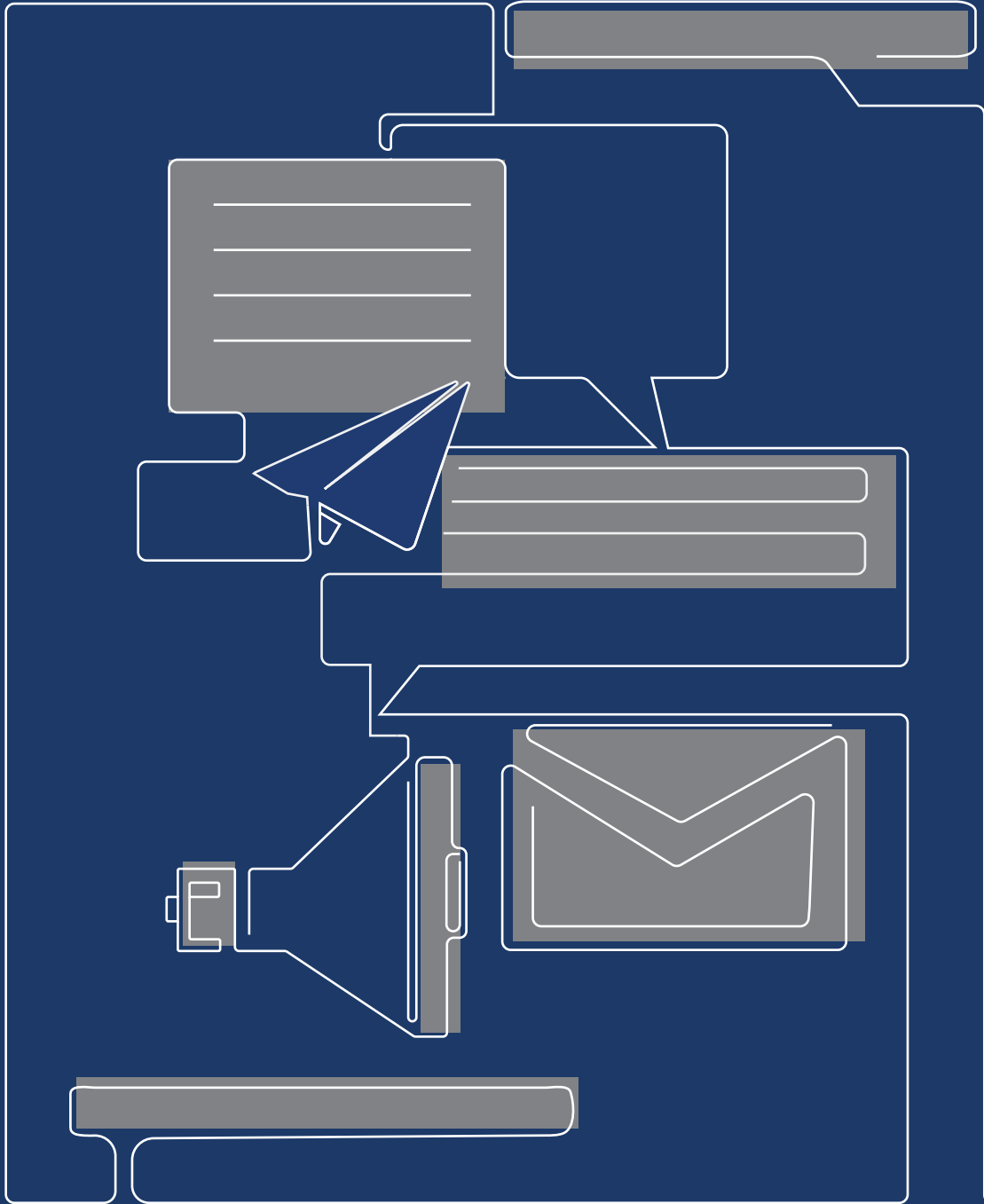
Ms. Kala Agarwal Practising Company Secretary

REGISTRAR & SHARE TRANSFER AGENTS

Purva Saregistry (India) Pvt. Ltd.
Unit No. 9, Shiv Shakti Ind. Estate, J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai - 400 011

BANKERS

State Bank of India
HDFC Bank Ltd.
SARASWAT Co-operative Bank Ltd.



02

**MESSAGE FROM
MANAGING DIRECTOR**

MESSAGE FROM MANAGING DIRECTOR:

Letter to Shareholders:

To our Shareowners, Customers, and Employees,

While we have gone about building Fredun Pharmaceuticals, we have strived to build the Fredun Infrastructure -- our skeletal strength -- with our plant based out of Palghar in Maharashtra, and distribution spanning 50+ countries, and growing distribution and partnerships within India. This gives us a size that allows us to create efficiency within our cost structure.

With our planned capex over the last half a decade, we have managed to convert many of our variable costs into fixed costs. We in turn pass on the savings back to our customers -- sharing the scale efficiency back with our customers which ensures they never take their business elsewhere.

The scale also allows us to spawn into newer markets, on the back of the same customers. We are in the process of rolling out our consumer-facing brands in Pet Care (Health and Food), Nutrition, and Cosmeceuticals.

It gives me immense pleasure to present our Annual Report for FY 2022-23 to you, our shareowners, customers, and employees. Our approach may require upfront investments, but in the long run, it will create larger free cash flows and lead to sustainable growth. Our goal is to build a compounding P&L that will generate value for years to come and we will achieve it by focusing on our long-term strategy -- sharing our economies of scale with our customers and continuing to spawn into new markets globally.





GEORGIA

ARMENIA

IRAQ

AZERBAIJAN

UBEKISTAN

KYRGYZSTAN

TURKMENISTAN

TAJIKISTAN

UAE

OMAN

VIETNAM

MYANMAR

PHILIPPINES

CAMBODIA

MALAYSIA

PAPUA NEW GUINEA

BENIN

NIGER

NIGERIA

GHANA

SOUTH SUDAN

SOMALIA

UGANDA

KENYA

RWANDA

TANZANIA

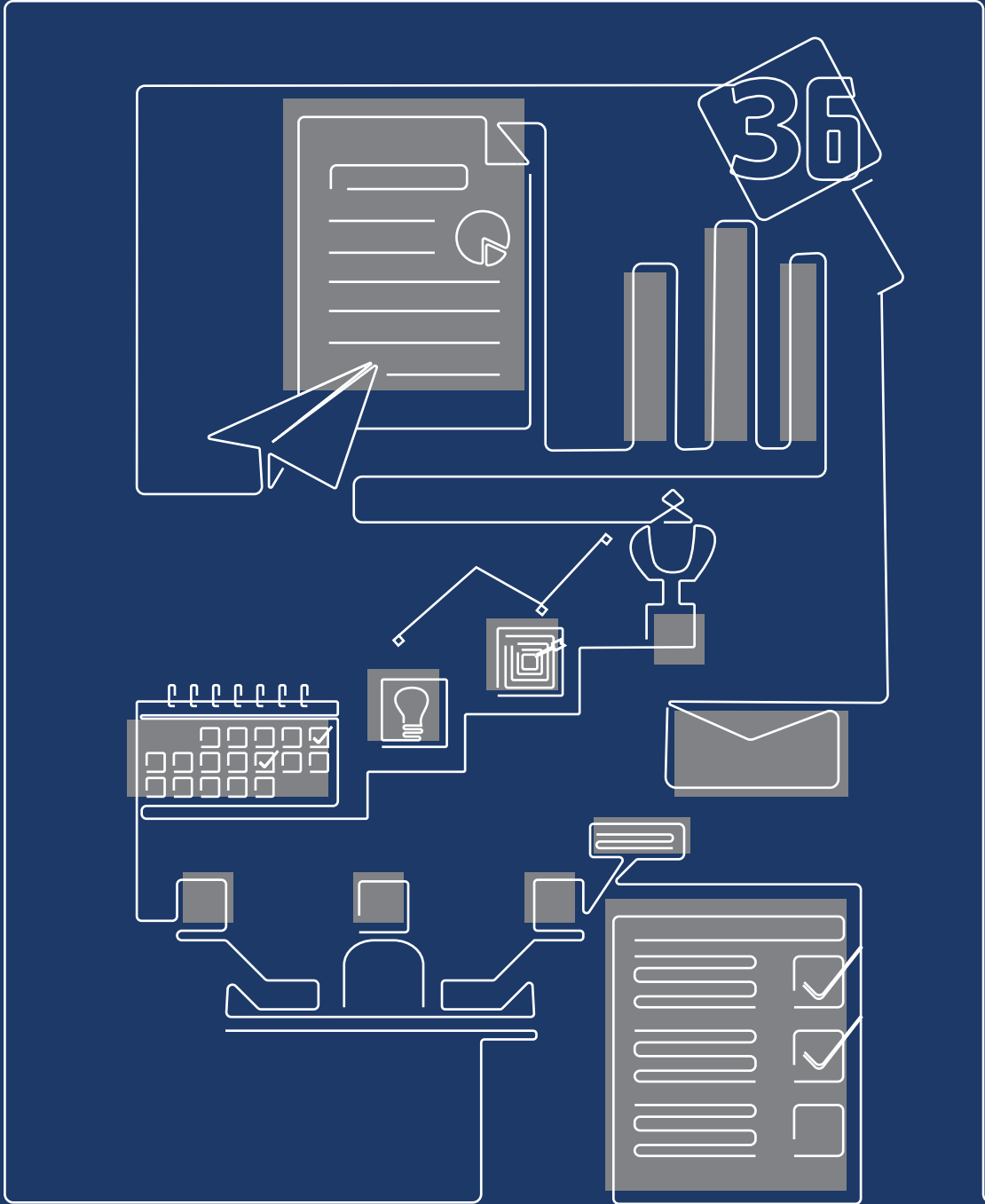
ZAMBIA

MOZAMBIQUE

MAURITIUS

SRI LANKA

YEMEN



03

**NOTICE OF THE 36TH ANNUAL
GENEAL MEERTING**

NOTICE OF 36TH ANNUAL GENERAL MEETING

NOTICE OF 36TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **36TH ANNUAL GENERAL MEETING** (the "36th AGM") of the Members of **FREDUN PHARMACEUTICALS LIMITED** will be held on Friday, September 29, 2023 at 09:00 A.M. through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the reports of the Board of Directors and the Auditors thereon;
2. To declare a Dividend at 7% on the Equity Shares of the Company for the Financial Year ended March 31, 2023.
3. To appoint a Director in place of Mr. Fredun Medhora, Managing Director (DIN No: 01745348) who being the longest in the office retires by rotation and being eligible offers himself for re-appointment.
4. To consider and approve the appointment of Statutory Auditors of the Company and to fix their remuneration and to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions, if any, **M/s. R.H. Nisar & Co. (Chartered Accountant) (Firm Registration Number: 103659)** be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting until the conclusion of the Annual General Meeting to be held for the Financial Year 2027-28 at a remuneration as may be mutually agreed to, between the Board of Directors and M/s. R.H. Nisar & Co., plus applicable taxes, out-of-pocket expenses, travelling and other expenses, in connection with the work of audit to be carried out by them".

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all such acts, deeds, matters, and things as may be required to give effect to above resolution from time to time".

NOTICE OF 36TH ANNUAL GENERAL MEETING

SPECIAL BUSINESS:

5. To ratify the remuneration of the Cost Auditor for the Financial Year ended March 31, 2024:

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

“RESOLVED THAT, pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand only) plus applicable taxes, travel and actual out-of-pocket expenses incurred in connection with the audit, payable to M/s Joshi Apte & Associates (Firm Registration No.00240), who have been appointed by the Board of Directors on the recommendation of the Audit Committee of Directors as the Cost Auditors of the Company to conduct the audit of cost records maintained by the Company for the financial year 2023-24.”

6. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings.

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

“RESOLVED THAT, in supersession of the resolution passed by shareholders of the Company, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Member be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to Ordinary Shares/ “A” Ordinary Shares and/ or rupee/foreign currency convertible bonds and/or foreign currency bonds and/or bonds with share warrants attached (hereinafter collectively referred to as “Loans”) provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed Rs. 200 crore/- (Rupees Two Hundred Crore only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher”.

“RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution.”

7. To increase borrowing limit under Section 180 (1) (c) of Companies Act, 2013:

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

“RESOLVED THAT, in supersession of the resolution passed by shareholders of the Company and pursuant to section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed

NOTICE OF 36TH ANNUAL GENERAL MEETING

thereunder, as amended from time to time, and the provisions of the Memorandum of Association and the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which expression shall be deemed to include any committee constituted by the Board) for borrowing any sum or sums of money from time-to-time, from banks, financial institutions, bodies corporate, firms or such other persons whether in India or abroad and by issue of convertible/non-convertible securities (including fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants or any other debt instruments) and/or or otherwise as it may deem fit, at its discretion, and by the issue of any instrument, commercial paper or otherwise as the Board may deem fit, any sum or sums of monies which, together with the monies already borrowed by the Company, whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge on the Company's assets, licenses and properties, whether immovable or movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertaking of the Company, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company, apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business, will or may exceed the aggregate of the paid-up share capital of the Company and its free reserves, so that the aggregate amount borrowed by the Board of Directors and outstanding at any point in time shall not exceed the sum of Rs. 200 Crores/- (Rupees Two Hundred Crores Only).;

"RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all such acts, deed and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of the powers herein conferred to any Director or any other Officer(s) of the Company or any other person(s) to give effect to this Resolution."

8. To grant loan/ provide security or guarantee to Directors and other person in whom Director of the company is interested:

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

"RESOLVED THAT, pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder as amended from time to time, the consent of the members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the company, (in which any director is deemed to be interested) or to Managing Director or Whole time director of the company upto an aggregate sum of Rs. 200 Crores (Rupees Two Hundred Crores only) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

"RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

9. To approve for increase the limits for making investments/ extending loans and giving guarantees or providing securities in connection with loans to person's/ body corporate:

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

NOTICE OF 36TH ANNUAL GENERAL MEETING

“RESOLVED THAT, pursuant to Section 186 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) the consent of the members be and is hereby accorded to the Board (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject, however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 200 Crores (Rupees Two Hundred Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.”

10. Approval for transaction with Related Parties:

To consider, and if thought fit to pass with or without modification, the following Resolution as an **Special Resolution**:

“RESOLVED THAT, pursuant to the provisions of Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with rules made thereunder (‘the Rules’), including any statutory modification(s) or amendment(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force and pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the omnibus approval granted by Audit Committee, the consent of the members be and is hereby accorded that the maximum amount for the Related Party Transactions to be entered into by the Company for the Financial Year 2023-24 be upto Rs. 1,00,00,000/- (Rupees One Crore only) per transaction”.

11. To consider and approve continuation of Dr. Aspi Raimalwala as Independent Director who will be attaining 75 years of age:

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

“RESOLVED THAT, pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, and the applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company is also accorded to continue the directorship of Dr. Aspi Raimalwala (DIN: 02454860) who will complete the age of 75 years in November, 2023, as an Independent Director, in the Company and who shall not be liable to retire by rotation.

“RESOLVED FURTHER THAT, all the Directors and Key Managerial Personnel of the Company or the Company Secretary or any other persons authorised by the Board or any Committees be and are hereby severally authorized to do all such acts, deeds, things and to execute all such documents, undertaking as may be necessary for giving effect to the foregoing resolutions.

NOTICE OF 36TH ANNUAL GENERAL MEETING

NOTES:

1. Pursuant to General Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021, No. 2/2022 dated May 5, 2022 and No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'), the Company is convening the 36 th Annual General Meeting (AGM) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India (SEBI), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 (SEBI Circulars) and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

In compliance with the applicable provisions of the Companies Act, 2013 (the Act), the Listing Regulations and MCA Circulars, the 36th AGM of the Company is being held through VC/OAVM on 29 th September, 2023 at 09:00 A.M. The deemed venue for the 36 th AGM shall be the Registered Office of the Company at 11 th Floor, Tower A, Urmi Estate 95, Ganpatrao Kadam Marg, Lower Parel (W) Delisle Road Mumbai-400013.

2. The relative Explanatory Statement pursuant to Section 102 of the Act, in regard to the business as set out in Item Nos. 5 to 11 above and relevant details of the Directors seeking re-appointment under Item No. 03 and Item No. 11 above and as required by Regulation 36(3) of the Listing Regulations and as required under Secretarial Standard - 2 on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, are annexed hereto.

3. Pursuant to the provisions of the act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by members will not be available for this AGM and hence, the proxy form, attendance slip and route map of AGM are not annexed to this notice.

4. Corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorization shall be sent by e-mail to cs@fredungroup.com .

5. In case of joint holders attending the AGM, only such joint holder, who is higher in the order of names, will be entitled to vote.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. The Members can join the AGM through VC/OAVM 30 minutes before and within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's (NSDL) e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis as per the MCA Circulars.

8. In terms of the MCA Circulars and the relevant SEBI Circulars, the Company is sending this AGM Notice along with the Annual Report for F.Y. ending 2023 in electronic form only to those Members whose email IDs are registered with the Company/Depositories. The Company shall send the physical copy of the Annual Report for F.Y. ending 2023 only to those Members who specifically request for the same at cs@fredungroup.com in mentioning their Folio No/DP ID and Client ID. The Notice convening the AGM and

NOTICE OF 36TH ANNUAL GENERAL MEETING

the Annual Report for F.Y. ending 2023 have been uploaded on the website of the Company at www.fredungroup.com and may also be accessed from the relevant section on the websites of the Stock Exchanges i.e. BSE Limited (BSE) at www.bseindia.com. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com

9. Members who have not registered their e-mail address, so far, are requested to register their email address, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their email addresses by sending their details to the Registrar and Share Transfer Agents, "Purva Sharegistry (India) Pvt Ltd" for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.

10. Book Closure and Dividend: The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2023 to September 29, 2023 (both days inclusive) for the purpose of payment of dividend and AGM for F.Y. 2023. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made, subject to deduction of tax at source (TDS).

11. As per Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository and transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Share Transfer Agents, "Purva Sharegistry (India) Pvt Ltd" for assistance in this regard.

12. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income-tax Act, 1961 (the IT Act). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, Permanent Account Number (PAN), Category as per the IT Act with their Depository Participants (DPs) or in case shares are held in physical form, with the Company, by sending documents through e-mail by September 22, 2023.

13. Updation of mandate for receiving dividend directly in bank account through Electronic Mode or any other means in a timely manner:

Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nomination, power of attorney, bank details, bank account number, MICR code, IFSC, etc.:

a. Shares held in physical form: Members holding shares in physical form are requested to send the details/documents to the Company's Registrars and Transfer Agent (RTA) viz. Purva Sharegistry (India) Pvt. Ltd at C Unit No 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp Kasturba Hospital Lane, Lower Parel (E), Mumbai-400011, latest by September 22, 2023:

- i.** Form ISR-1 along with the supporting documents are required to be submitted to the Registrar.
- ii.** original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:-
 - a.** Cancelled cheque in original.
 - b.** Bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and the full address of the Bank branch.
- iii.** self-attested photocopy of the PAN Card of all the holders; and
- iv.** self-attested photocopy of any document (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

NOTICE OF 36TH ANNUAL GENERAL MEETING

b. Shares held in electronic form: Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not be able to accede to any direct request from such Members for change/addition/ deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to ensure that their DPs update their Electronic Bank Mandate details by Friday September 22, 2023.

14. Voting through electronic means (Remote E-Voting):

a. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the e-voting facility (the "Remote e-voting") to its Members holding Shares in physical or dematerialized form, as on the cut-off date, being September 22, 2023 to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. For this purpose, the Company has engaged the services of National Securities Depositories Ltd ("NSDL") as the Agency to provide e-voting facility.

b. In terms of the Companies (Management and Administration) Rules, 2014 with respect to the voting through electronic means, the Company is also offering the facility for e-voting services provided by NSDL at the AGM. The Members attending the Meeting through VC / OAVM should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote at the AGM through e-voting system for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by remote e-voting may attend the AGM through VC / OAVM but shall not be entitled to vote at the AGM. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date being September 22, 2023

c. The Company has appointed Ms. Kala Agarwal (FCS No. 5976), Practicing Company Secretary, as the Scrutinizer for conducting the Remote e-voting and the e-voting process at the AGM in a fair and transparent manner and she has communicated her willingness to be appointed as such and will be available for same.

d. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

e. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 22, 2023. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to vote.

f. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than 48 hours of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson or any other person as authorized by the Chairperson. The results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company www.fredungroup.com and on the website of NSDL viz. www.evoting.nsdl.com. The results shall simultaneously be communicated to the Stock Exchanges.

g. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Friday September 29, 2023.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday September 26, 2023 at 09:00 A.M. and ends on Thursday September 28, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, September 22, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 22, 2023.

NOTICE OF 36TH ANNUAL GENERAL MEETING

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system


A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or</p>

NOTICE OF 36TH ANNUAL GENERAL MEETING

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<p>joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

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Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note:

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33

B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to

NOTICE OF 36TH ANNUAL GENERAL MEETING

Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physica	Your User ID is:
a. For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b. For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

NOTICE OF 36TH ANNUAL GENERAL MEETING

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcskalaagarwal@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e- Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@fredungroup.com

NOTICE OF 36TH ANNUAL GENERAL MEETING

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@fredungroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

NOTICE OF 36TH ANNUAL GENERAL MEETING

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@fredungroup.com. The same will be replied by the company suitably.

6. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request to cs@fredungroup.com. any time before 5:00 p.m. IST on Friday, September 22, 2023 mentioning their name, Demat account number/folio number, email id, mobile number. The shareholders who do not wish to speak during the AGM but have queries may send their queries to cs@fredungroup.com. any time before 5:00 p.m. IST on Friday, September 22, 2023, mentioning their name, Demat account number/folio number, email id, mobile number. These queries will be replied by the Company suitably by email. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**By Order of the Board
For Fredun Pharmaceuticals Limited
Sd/-**

Place: **Mumbai**

Date: **May 24, 2023**

REGISTERED OFFICE:

**11th Floor, Tower A, Urmi Estate 95,
Ganpatrao Kadam Marg, Lower Parel (W)
Mumbai-400013**

**Jinkal Soni
(Jinkal Shah)
Company Secretary and Compliance Officer**

NOTICE OF 36TH ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 11 of the accompanying Notice dated May 24, 2023:

ITEM NO.5:

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee, the Board of Directors approved the re-appointment of M/s. Joshi Apte & Associates (Firm Registration No. 000212) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for financial year ending March 31, 2024, at a remuneration of 1,25,000 (Rupees One Lakh Twenty Five Lakh only) plus applicable taxes, travel and actual out-of-pocket expenses. In making the decision on the appointment and remuneration of the Cost Auditors, the Audit Committee of Directors considered the Cost Auditors' performance during the previous year(s) in examining and verifying the accuracy of the cost accounting records maintained by the Company. M/s. Joshi Apte & Associates have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act. Pursuant to Section 148(3) of the Act, approval by the Members is required for the payment of above remuneration to the cost auditor.

None of the Directors and KMP of the Company and their respective relatives are concerned or interested in the Resolution at Item No. 5 of the accompanying Notice. The Board commends the Resolution at Item No. 5 of the accompanying Notice for ratification by the Members of the Company.

ITEM NO 6 AND 7:

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. In order to enable the Board of Directors of the Company to borrow monies apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of paid up capital and free reserves of the Company provided that the total amount so borrowed by the Board shall not at anytime exceed the limit of Rs. 200 Crores/- (Rupees Two Hundred Only) or aggregate of the paid up capital and free reserves of the Company, whichever is higher.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole of the undertaking of the Company. Section 180 (1) (a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise of the whole or substantially the whole of the undertaking of the Company subject to the approval of the Members in this General Meeting.

No Director, Key Managerial Personnel or their relatives are in any way concerned or interested in the proposed resolution of this Notice except to the extent of their shareholding in the Company. The Board recommends the resolution for approval of the Members.

ITEM NO. 8:

As per the provisions of Section 185 of the Companies Act, 2013, no company shall, directly or indirectly, advance any loan including any loan represented by a book debt, to any of its Directors or to any other person in whom the Director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person. However, in order to promote ease of doing business, the entire Section 185 of the Companies Act, 2013 has been substituted vide Companies (Amendment) Act, 2017 and the same was notified by the Ministry of Corporate Affairs on May 07, 2018. In terms of the amended Section 185 of the Act, a company may advance any loan, including any loan represented by a book debt, to any person in whom any of the Directors of the Company is interested or give any guarantee or provide any

NOTICE OF 36TH ANNUAL GENERAL MEETING

security in connection with any loan taken by any such person, subject to the condition that approval of the shareholders of the Company is obtained by way of passing a Special Resolution and requisite disclosures are made in the Explanatory Statement. The management is of the view that the Company may be required to invest surplus funds, if available in any body corporate(s) in which the Directors of the Company are interested, as and when required. Hence, as an abundant caution, the Board decided to seek approval of the shareholders pursuant to the amended provisions of Section 185 of the Act to advance any loan, including any loan represented by book debt, to any body corporate(s) in whom any of the Directors of the Company is interested or to give guarantee or provide any security in connection with any loans/ debentures / bonds etc. such body corporate(s) in whom any of the Directors of the Company is interested up to an aggregate amount of approved by the shareholder of the Company under Section 186 of the Company Act, 2013 over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more.

The Board of Directors recommends resolution as set out in item No. 7 for approval of the members of the Company by way of passing a Special Resolution. None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

ITEM NO.9:

Pursuant to the provisions of Section 186(3) of the 'Act', where the giving of any loan or guarantee or providing any security or the acquisition of securities exceeds the limits specified in Section 186(2) of the 'Act', prior approval by means of a Special Resolution passed at a General Meeting is necessary. In terms of Rule 11(1) of the Companies (Meeting of Board and its Powers) Rules ('Rules'), where a loan or guarantee is given or security has been provided by a company to its wholly-owned subsidiary or a joint venture, or acquisition is made by a holding company, by way of subscription of securities of its wholly-owned subsidiary, the requirement of Section 186(3) of the 'Act' shall not apply, however it will be included for the purpose of overall limit. In the normal course of business, the Company may be required to give loans or guarantees or make investments in excess of the limits specified in Section 186(2) of the 'Act'.

Pursuant to the provisions of Section 186(2) of the Companies Act, 2013 ('Act'), the Company shall not directly or indirectly: -

- (a)** give any loan to any person or other body corporate;
- (b)** give any guarantee or provide security in connection with a loan to any other body corporate or person;
and
- (c)** acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

Accordingly, it is proposed to seek prior approval of Members vide an enabling Resolution to provide loans, guarantees and make investments up to a sum of Rs. 200 crores (Two Hundred Crores) over and above the aggregate of free reserves and securities premium account of the Company at any point of time.

None of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) is in any way, whether financially or otherwise, concerned or interested, in the said resolution. The Board recommends the Special Resolution set out at Item No.8 of the Notice for approval by the Members.

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ITEM NO. 10:

The Company has entered into contracts / arrangements /agreements/ transactions with the related parties as per the terms and conditions mutually agreed from time to time, which are in the ordinary course of business of the Company and that the terms and conditions including pricing are at arm's length basis and the same are reviewed by the Audit Committee on quarterly basis.

Further, the Audit Committee at its Meeting held on May 24, 2023 granted omnibus approval for the value of Related Party Transactions to be entered into by the Company during the Financial year 2023-24 which shall not exceed Rs. 1,00,00,000/- (Rupees One Crore) per transaction. Such omnibus approval shall be valid upto the end of Financial Year 2023-24

None of the Directors or their relatives, except Mr. Fredun Medhora, Dr. (Mrs) Daulat Medhora and Mr. Nariman Medhora, are concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 10 of the accompanying Notice.

ITEM NO. 11:

The Shareholders of the Company at the 33rd Annual General Meeting held on September 28, 2020 approved re-appointment of Dr. Aspi Raimalwala (DIN: 02454860) as an Independent Director of the Company for a period of five years from September 30, 2020 to September 29, 2025 through a Special Resolution under the provisions of Sections 149, 152, and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof).

Regulation 17 (1A) of the (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter alia, provides that no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy-five) years unless such appointment is approved by the members by passing a special resolution. Dr. Aspi Raimalwala, Non- Executive Independent Director will be attaining the age of 75 years in the month of November, 2023; his continuation as non-executive non-independent Director beyond the age 75 years requires the approval of members by way of a special resolution.

Additional information in respect of Dr. Aspi Raimalwala pursuant to Regulation 36 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2), is given at "Annexure A" to this Notice. Except Dr. Aspi Raimalwala none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution.

NOTICE OF 36TH ANNUAL GENERAL MEETING

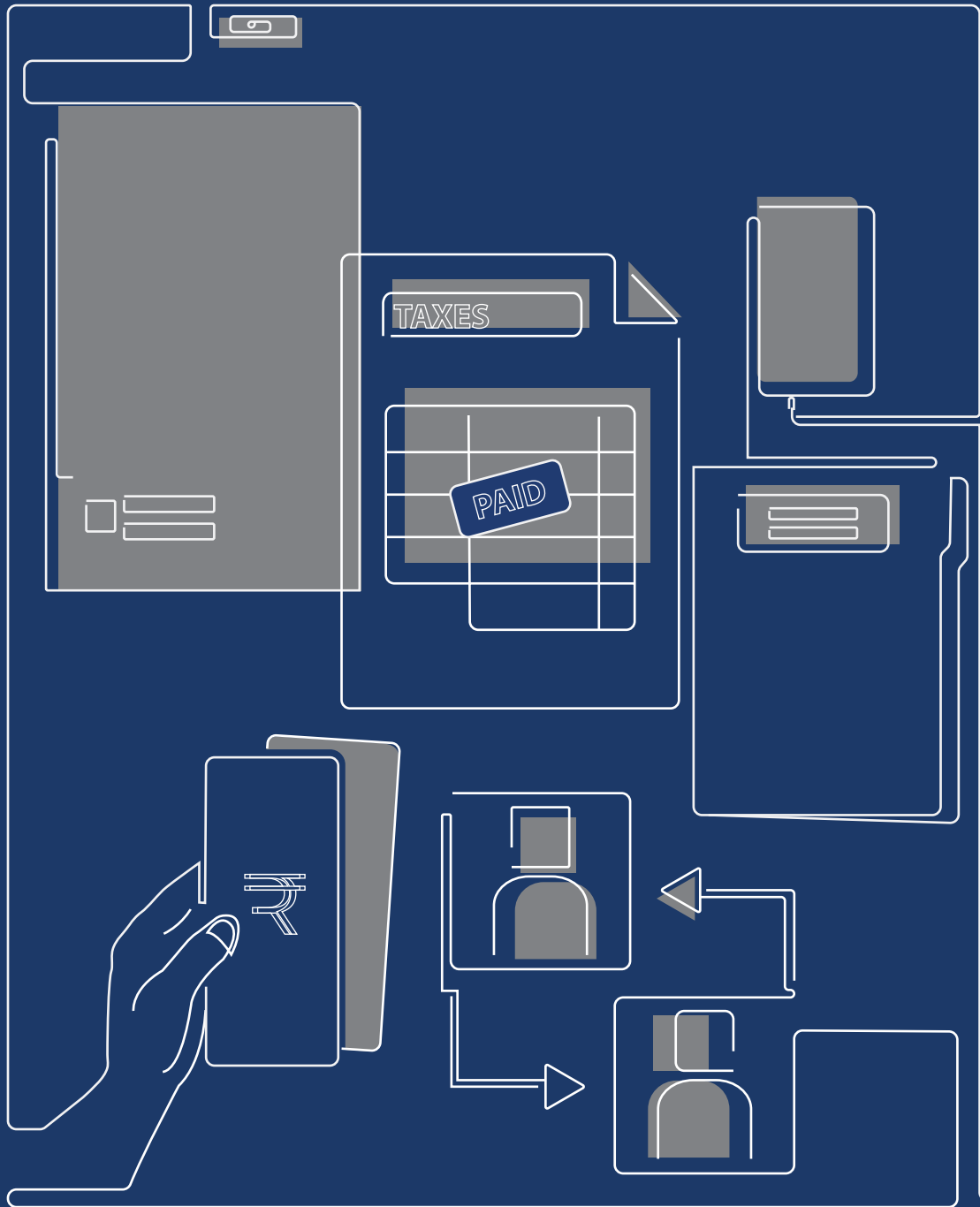
ANNEXURE A

Details of Directors pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements Regulations, 2015

Name of Director	Mr. Fredun Medhora	Dr. Aspi Raimalwala
Date of Birth	09-10-1986	15-11-1948
Age	36 years	74 years
Date of appointment/ re-appointment on the Board	15-10-2014	30-09-2015
Relationship with Directors and Key Managerial Personnel	Son of Dr. (Mrs.) Daulat Nariman Medhora and Mr. Nariman Medhora	N.A.
Nature of expertise in specific functional area	Business Entrepreneurship	Consultant Obstetrician & Gynaecologist Specialist in Infertility, Microsurgery, Endoscopy and Family Planning
Qualification	<p>He is a graduate with honours of Magma Cum Laude in Business Entrepreneurship from Plattsburgh University New York having completed 127 credits in 2.5 years. He has achieved the highest graduating grade point average for entire major. He was also awarded a standing in the Dean's List for all the semesters. He was the recipient of Direct Marketing Seminar Scholarship whilst working with the Director of Small Business Development Center (SBDC) Plattsburgh New York for helping new entrepreneurs setup their business.</p> <p>He has gained experience in creating organization flow charts for (SBDC) office and working with prospective clients through research and gathering background information for their interests.</p>	<p>He is qualified as Consultant Obstetrician & Gynaecologist Specialist in Infertility, Microsurgery, Endoscopy and Family Planning and affiliated to B. D. Petit Parsi General Hospital, B. Desai Road., Mumbai and Masina Hospital, Byculla, Mumbai and Lion Tarachand Bapa Hospital & Research Centre; Sion, Mumbai & Family Planning Association of India; Mumbai. Visiting Obst. /Gynaecologist at Breach Candy Hospital, B. Desai Road, Mumbai and Lectured extensively in Mumbai and all over India in Family Planning and Contraception & in Charge, Laparoscopic Sterilization Training Program, F.P.A.I. Mumbai.</p> <p>He is also a member of high-level Quality Assurance Committee (DQAC) of Municipal Corporation of Greater Mumbai looking into Maternal Mortality and also Member of MTP committee of MCGM.</p>

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	<p>During his Internship he was also involved in developing the Supply Chain Management Major at the School of Business. He has been a member of the Beta Gamma Sigma Honour Society and also Phi Kappa Phi Honour Society.</p> <p>The wide experience gained by him during his graduation in US has helped him in completing his Masters in Business Administration from Cardiff Business School Wales. During his studies in Cardiff he worked in the Finance Department of Student's Union of Cardiff University where he created process flow charts and job description of each individual within the office.</p> <p>He was assigned the topic "Prospects of Neutraceuticals Industry in India" for his thesis during his MBA course.</p>	
Terms and Conditions of Re- appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Fredun Medhora who was re-appointed as Managing Director at the Annual General Meeting held on September 28, 2020, is liable to retire by rotation.	
Remuneration last drawn (FY2022-23)	Rs. 54,00,000/-	N.A.
Board Membership of other listed Companies as on March 31 , 2023	N.A.	N.A
Membership / Chairmanship of Committees of other Boards as on March 31, 2023	NIL	NIL
Number of equity shares held as on March 31, 2023	1,60,100	8,061



04

**INSTRUCTIONS FOR TAX
DEDUCTIBLE AT SOURCE ON
DIVIDEND**

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

at source @20% (plus applicable surcharge and health and education cess) on dividend payable to Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs). Such TDS rate shall not be reduced

Dividend will be paid after deduction of tax at source as determined on the basis of the aforementioned documents provided by shareholders as applicable to them and being found to be satisfactory.

Dividend will be paid after deduction of tax at source as determined on the basis of the aforementioned documents provided by shareholders provided as applicable to them and being found to be satisfactory.

For all Shareholders:

Shareholders holding shares under multiple accounts under different status /category and single PAN are requested to note that higher of the tax rate as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

In view of the prevailing COVID 19 situation, only scanned copies of the aforementioned documents will be accepted by the Company as per the procedure laid down. Duly completed and signed documents are required to be submitted to Purva Sharegistry (I) Pvt Ltd by uploading the documents on <https://www.purvashare.com/submission> of /Form15G /15H/ 10F in order to enable the Company to determine and deduct appropriate TDS/ withholding tax.

On clicking the above link, the user will be prompted to select/share the following information to register their request:-

1. Select the Company (Dropdown)
2. Folio No/DP
3. PAN
4. Financial Year (Dropdown)
5. Form Selection
6. Document attachment- 1 (PAN)
7. Document attachment- 2 Forms
8. Document attachment - 3 (Any supporting document)

Shareholders are requested to note that in case tax on dividend is deducted at a higher rate on account of non-receipt or insufficiency of requisite documents, they can claim refund at the time of filing income tax return. The Company will mail a soft copy of the TDS certificate to shareholders on their registered e-mail IDs post completion of activities. Shareholders may view the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at [https:// Income tax India e-filing.gov.in](https://Income tax India e-filing.gov.in). Shareholders are requested to update their PAN and email address with their DPs (for shares held in demat mode) and with FPL (for shares held in physical mode), if not already done.

Pursuant to General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, dividend will be paid electronically in the bank accounts of Shareholders. The Company will keep on hold demand drafts of shareholders who have not registered their bank details and will dispatch the same once the lock down is lifted and postal services are normalized. Shareholders holding shares in demat form are advised to keep the bank details updated with their Dps.

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

ANNEXURE I

Name of the Company Fredun Pharmaceuticals Limited
DP ID-Client ID/Folio No.

FORM NO. 15G

[See section 197A(1C), 197A(1A) and rule 29C]

Declaration under section 197A(1) and section 197A (1A) of the Income-tax Act, 1961 to be made by an individual or Person (not being a company or firm) claiming certain receipts without deduction of tax.

PART - I

1. Name of Assessee (Declarant):		2. PAN of the Assessee:		
3. Status:	4. Previous Year (P.Y.) : (for which declaration is being made)		5. Residential Status:	
6.Flat/Door/ Block No:	7. Name of premises :	8. Road/Street/Lane:	9. Area/Locality:	
10. Town/City/District:	11. State:	12. PIN:	13. Email:	
14. Telephone No. (with STD Code) and Mobile No.:	15 (a) Whether assessed to tax under the Income-tax act, 1961:		Yes	No
		(b) If yes, latest assessment year for which assessed		
16. Estimated income for which this declaration is made.		17. Estimated total income of the. P.Y. in which Income mentioned in column 16 to be included.		
18. Details of Form No. 15G other than this form filed during the previous year, if any :				
Sr. No	Identification number for relevant Investment/account, etc.	Nature of income	Section under which tax is deductible.	Amount of income
1				

Signature of the declarant

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

Declaration / Verification

*I/We _____do here by declare that to the best of *my/our knowledge and believe what is stated above is correct, complete and is truly stated.

*I/We declare that the incomes referred to in this form are not includible in the total income of any other person under sections 60 to 64 of the Income-tax act, 1961.

*I/We further declare that the tax *on aggregate amount of *income/incomes referred to in column 18 computed in accordance with the provisions of Income-tax, Act 1961.

For the previous year ending on _____, relevant to the assessment year _____, will be nil.

*I/We also declare that *my/our *income/incomes referred to in column 16 *and the aggregate amount of *income/incomes referred to in column 18 for the previous year ending on _____relevant to the assessment year _____will not exceed the maximum amount which is not chargeable to income tax.

Place: _____

Date: _____

Signature of the declarant

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

PART II

[To be filled by the person responsible for paying the income referred to in column 16 of Part I]

1.	Name of the person responsible for paying
2.	Unique Identification No.
3.	PAN of the person responsible for paying
4.	Complete Address
5.	TAN of the person responsible for paying
6.	Email
7.	Telephone No. (with STD Code) and Mobile No
8.	Amount of income paid
9.	Date on which Declaration is received (DD/MM/YYYY)
10.	Date on which the income has been paid/ credited. (DD/MM/YYYY)

Place: -----

Date: -----

Signature of the person responsible for paying the income referred

*Delete whichever is not applicable.

1.As per provisions of section 206AA (2), the declaration under section 197 A(1) or 197 A(1 A) shall be invalid if the declarant fails to furnish his valid Permanent Account Number (PAN).

2.Declaration can be furnished by an individual under section 197 A(1) and a person (other than a company or a firm) under section 197 A(1 A).

3.The financial year to which the income pertains.

4.Please mention the residential status as per the provisions of section 6 of the Income-tax Act, 1961

5.Please mention "Yes" if assessed to tax under the provisions of Income-tax Act, 1961 for any of the assessment year out of six assessment years preceding the year in which the declaration is filed.

6.Please mention the amount of estimated total income of the previous year for which the declaration is filed including the amount of income for which this declaration is made.

7.In case any declaration(s) in Form No. 15G is filed before filing this declaration during the previous year, mention the total number of such Form No. 15G filed along with the aggregate amount of income for which said declaration(s) have been filed.

8.Mention the distinctive number of shares, account number of term deposit, recurring deposit, National Savings Schemes, life insurance policy number, employee code, etc.

9.Indicate the capacity in which the declaration is furnished on behalf of a HUF, AOP, etc.

10.Before signing the declaration/verification, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income-tax Act, 1961 and on conviction be punishable-

(i) in a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;

(ii) in any other case, with rigorous imprisonment which shall not be less than three months but which may extend to two years and with fine.

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

11. The person responsible for paying the income referred to in column 16 of Part I shall allot a unique identification number to all the Form No. 15G received by him during a quarter of the financial year and report this reference number along with the particulars prescribed in rule 31A(4)(vii) of the Income-tax Rules, 1962 in the TDS statement furnished for the same quarter. In case the person has also received Form No.15H during the same quarter, please allot separate series of serial number for Form No.15G and Form No.15H.

12. The person responsible for paying the income referred to in column 16 of Part I shall not accept the declaration where the amount of income of the nature referred to in sub-section (1) or subsection (1 A) of section 197 A or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax. For deciding the eligibility, he is required to verify income or the aggregate amount of incomes, as the case may be, reported by the declarant in columns 16 and 18.;

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

ANNEXURE II

Name of the Company	Fredun Pharmaceuticals Limited
DP ID-Client ID/Folio No.	

FORM NO. 15H

[See section 197A(1C) and rule 29C]

Declaration under section 197A(1C) to be made by an individual who is of the age of sixty years or more claiming certain incomes without deduction of tax.

PART I

1. Name of Assessee (Declarant):	2. Permanent Account Number or Aadhaar Number of the Assessee :	3. Date of Birth (DD/MM/YYYY) :		
4. Previous year (P.Y.) (for which declaration is being made)	5. Flat/Door/Block No.	6. Name of Premises		
7. Road/Street/Lane	8. Area/Locality	9. TTTTJJJK JK TTR Town/ City/District		
10. State Town/District/City	11. PIN	12. Email		
13. Telephone No. (with STD Code) and Mobile No.	14 (a) Whether assessed to tax: Yes No (b) If yes, latest assessment year for which assessed	15. Estimated income for which this declaration is made		
16. Estimated total income of the P.Y. in which income mentioned in column 15 to be included	17. Details of Form No.15H other than this form filed for the previous year, if any			
	Total No. of Form No. No.15H	Aggregate amount of income for which Form 15H filed		
18. Details of income for which the declaration is filed				
Sl. No.	Identification number of relevant investment/account, etc. 7	Nature of income	Section under which tax is deductible	Amount of income

Signature of the Declarant

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

Declaration/Verification

I _____ do hereby declare that I am resident in India within the meaning of section 6 of the Income-tax Act, 1961. I also hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated and that the incomes referred to in this form are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961. I further declare that the tax on my estimated total income including *income/incomes referred to in column 15 *and aggregate amount of *income/incomes referred to in column 17 computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on _____ relevant to the assessment year _____ will be nil.

Place: _____

Date: _____

Signature of the Declarant

Place: _____

Date: _____

Signature of the person responsible for paying the income referred to in column 15 of Part I

PART II

[To be filled by the person responsible for paying the income referred to in column 15 of Part I]

1. Name of the person responsible for paying	2. Unique Identification No. or responsible for paying	3. Permanent Account Number
4. Complete Address responsible for paying	5. TAN of the person responsible for paying	6. Email
7. Telephone No. (with STD Code)	8. Amount of income paid received (DD/MM/YYYY)	9. Date on which Declaration is
10. Date on which the income has been paid/credited (DD/MM/YYYY)		

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

*Delete whichever is not applicable.

1. As per provisions of section 206AA(2), the declaration under section 197A(1C) shall be invalid if the declarant fails to furnish his valid Permanent Account Number (PAN).
2. Declaration can be furnished by a resident individual who is of the age of 60 years or more at any time during the previous year.
3. The financial year to which the income pertains.
4. Please mention "Yes" if assessed to tax under the provisions of Income-tax Act, 1961 for any of the assessment year out of six assessment years preceding the year in which the declaration is filed.
5. Please mention the amount of estimated total income of the previous year for which the declaration is filed including the amount of income for which this declaration is made.
6. In case any declaration(s) in Form No. 15H is filed before filing this declaration during the previous year, mention the total number of such Form No. 15H filed along with the aggregate amount of income for which said declaration(s) have been filed.
7. Mention the distinctive number of shares, account number of term deposit, recurring deposit, National Savings Schemes, life insurance policy number, employee code, etc.
8. Before signing the declaration/verification, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income-tax Act, 1961 and on conviction be punishable-
 - (i) in a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;
 - (ii) in any other case, with rigorous imprisonment which shall not be less than three months but which may extend to two years and with fine.
9. The person responsible for paying the income referred to in column 15 of Part I shall allot a unique identification number to all the Form No. 15H received by him during a quarter of the financial year and report this reference number along with the particulars prescribed in rule 31A(4)(vii) of the Income-tax Rules, 1962 in the TDS statement furnished for the same quarter. In case the person has also received Form No.15G during the same quarter, please allot separate series of serial number for Form No.15H and Form No.15G.
10. The person responsible for paying the income referred to in column 15 of Part I shall not accept the declaration where the amount of income of the nature referred to in section 197A(1C) or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax after allowing for deduction(s) under Chapter VI-A, if any, or set off of loss, if any, under the head "income from house property" for which the declarant is eligible. For deciding the eligibility, he is required to verify income or the aggregate amount of incomes, as the case may be, reported by the declarant in columns 15 and 17.

Provided that such person shall accept the declaration in a case where income of the assessee, who is eligible for rebate of income-tax under section 87A, is higher than the income for which declaration can be accepted as per this note, but his tax liability shall be nil after taking into account the rebate available to him under the said section 87A.

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

ANNEXURE III

Name of the Company Fredun Pharmaceuticals Limited

DP ID-Client ID/Folio No.

FORM NO. 10F

[See sub-rule (1) of rule 21AB]

Information to be provided under sub-section (5) of section 90 or sub-section (5) of section 90A of the Income-tax Act, 1961

I _____*son/daughter of Shri_____ in the capacity of _____ (designation) do provide the following information, relevant to the previous year _____ *in my case/in the case of for the purposes of sub-section (5) of *section 90/section 90A:-

Sr. No.	Nature of information	Details
(i)	Status (individual, company, firm etc.) of the assessee	:
(ii)	Permanent Account Number or Aadhaar Number of the assessee if allotted	:
(iii)	Nationality (in the case of an individual) or Country or specified territory of incorporation or registration (in the case of others)	:
(iv)	Assessee's tax identification number in the country or specified territory of residence and if there is no such number, then, a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the assessee claims to be a resident	:
(v)	Period for which the residential status as mentioned in the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A is applicable	:
(vi)	Address of the assessee in the country or territory outside India during the period for which the certificate, mentioned in (v) above, is applicable	:

Signature: _____

Name: _____

Address: _____

Permanent Account Number or Aadhaar Number: _____

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

Verification

I _____ do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated.

Verified today the _____ day of _____

Signature of the person providing the information

Place: _____

Notes :

1. *Delete whichever is not applicable.
2. #Write N.A. if the relevant information forms part of the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A.

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND:

ANNEXURE IV <ON THE LETTERHEAD OF THE NON-RESIDENT PERSON>

Date:

Fredun Pharmaceuticals Limited

26, Manoj Industrial Estate
G. D. Ambekar Marg, Wadala (W)
Mumbai- 400031.

Dear Sir/Madam,

Re.: Self declaration for Indian Financial Year (FY) 2022-2023 with respect to availment of Tax treaty benefits in relation to receipt of dividend income from Fredun Pharmaceuticals Limited.

This is to certify that: -

1. I/We, <<Full name of the shareholder>> having permanent account number (PAN) under the Indian Income Tax Act, 1961 (Act) - <<mention PAN>> am/are tax resident of <<country name>> and eligible to claim benefits of the India - <<country name>> Double Tax Avoidance Agreement (DTAA), read with the provisions laid down in the Multilateral Instrument (MLI), wherever applicable;
2. The claim of benefits of DTAA by <<Full name of the shareholder>> is not impaired in any way;
3. As per the requirement of the relevant provisions of the above referred DTAA, I/we am/are the beneficial owner(s) of the aforesaid shares as well as the dividend arising from such shareholding;
4. I/We further declare that I/We have the right to use and enjoy the dividend received/receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person;
5. I/We do not have any Permanent Establishment (PE) or fixed base in India in FY 2022-2023 as construed under relevant Articles of the applicable tax treaty nor do we have any PE or business connection in India as construed under the relevant provisions of the Act. I/We further confirm that I/We do not have any business connection in India as per provisions of the Act. In the event of I/We having a PE in India or Dividend income is attributable/effectively connected to such PE, I/We acknowledge our obligation to inform you forthwith with necessary details;
6. I/We hereby declare that the investments made by me/us in the shares of Fredun Pharmaceuticals Limited are not arranged in a manner which results in obtaining a tax benefit, whether directly or indirectly, as one of its principal purposes. The tax benefit, if any, derived from such investments would be in accordance with the object and purpose of the relevant provisions of the DTAA between India and <<country name>>; and
7. Further, our claim for relief under the DTAA is not restricted by application of Limitation of Benefit clause, if any, thereunder.

This declaration is valid for the period April 1, 2022 to March 31, 2023.

I/We confirm that the above is true to the best of our knowledge and I/We shall be solely responsible for any adverse income-tax consideration that may arise in India on the dividend income to be received from the Company.

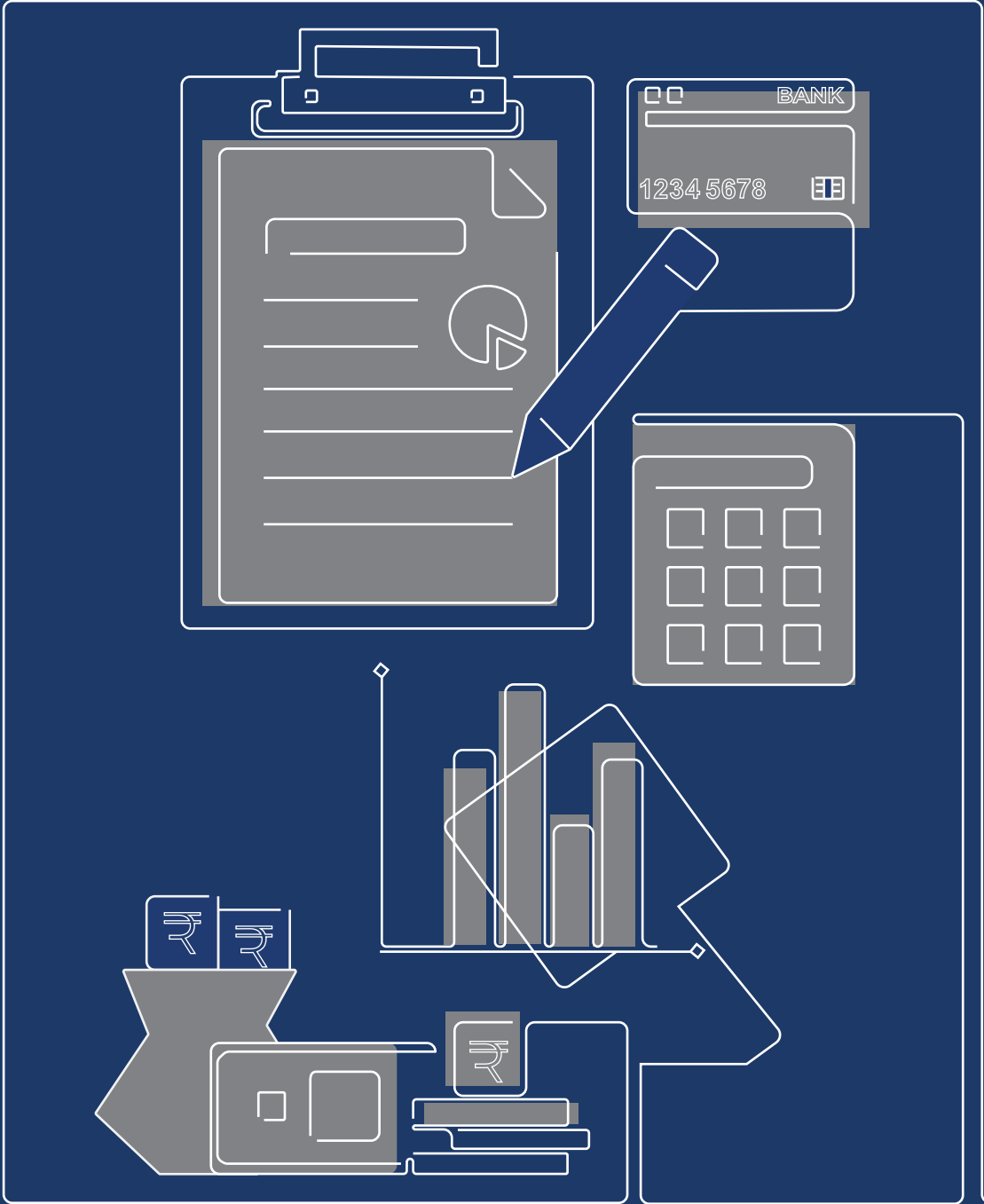
Thanking you,

Yours Sincerely,

For <Name of the Shareholder>

Name: <insert authorised person name>

<Insert designation>



05

DIRECTORS REPORT

DIRECTOR'S REPORT

To our Shareowners, Customers, and Employees,

It is not easy to think long-term. I believe that long-term thinking is both a requirement and an outcome of true ownership. Owners are different from renters. Over my last few communications with you, we have been emphasising our long-term view of building a compounding P&L that will generate value for years to come. We will achieve it by focusing on our long-term strategy -- sharing our economies of scale with our customers as we grow. This is a powerful approach to building trust and increasing business with them, ultimately helping us grow our business both vertically and horizontally. In the process, we are also spawning into new markets globally.

FY23 has turned out to be yet another important year as we delivered a robust performance and reported record revenues of Rs. 276 Cr. a growth of 22.29% YoY and EBITDA grew by 92.07% YoY to Rs 29.58 crores. FY23 PAT stood at Rs 10.80 crores, an increase of 70.61% YoY.

It gives me great pleasure to provide a segment-wise update to you starting with the Exports, which form the majority of our current revenues:

Generics:

In the past fiscal year, Fredun Pharmaceuticals experienced substantial growth in our export business. 65% of our exports are attributed to our own branded products -- Fredun Generics, while the remaining 35% come from OEM exports. Notably, we either jointly or fully own the registrations for products that are part of our OEM exports, which gives us a level of indirect control and effectively makes these clients captive to our business. This control has contributed to our international expansion, demonstrated by our securing over 185 product registrations globally, with an aim to reach 220 by the next fiscal year. Our government and institutional sales have also seen a significant uptick, growing approximately 75% quarter-over-quarter in the last quarter of FY23. In the same period, we secured a one-year contract worth Rs. 65 crores with a Southeast Asian country, and revenue from this contract has already started to materialise, with full execution expected by Q2FY24. Alongside this robust growth, we're planning to roll out 39 new OEM products in categories such as Food Supplements, Nutraceuticals, Cosmetics, and Personal Hygiene.

Nutraceuticals:

Nutraceutical Exports have witnessed robust growth. We expect to see a constant growth of 15% QoQ over the next two years. Revenue from Nutraceuticals and Human Feed Supplements will cross USD 2 million in FY24.

Cosmeceuticals Exports:

We have added 19 new products under the Cosmeceuticals OEM division.

In my previous annual letter, we discussed our initial steps to transition from a B2B (Business-to-Business) model to a B2BC (Business-to-Business-to-Consumer) model. Over the next three years, we plan to further transition to a B2C (Business-to-Consumer) model. This change will involve digital transformations, forming trade partnerships, and other strategic moves. We have already taken several concrete steps towards achieving this goal.

Freossi@:

In FY23, we introduced 14 new products in the pet pharmaceuticals line, with another 36 in the works. We also plan to add another 23 products by Q3FY24. We also launched 16 products in our Pet Treat and

DIRECTOR'S REPORT

Nutritional Supplement category and plan to add 39 more soon. We believe these new additions will significantly boost our sales. In Q4 FY23, we rolled out a new, budget-friendly Pet Grooming product line that consists of 43 products. We'll be adding 19 more products to this line soon, and we are beginning to see therevenue from this range from the beginning of FY24. We are the only company in India with access to patented tech pertaining to Pet Surgeries which we are in the process of launching in the coming months. We are also proud to be the first company in India to offer targeted functional foods for pets. In fact, we're the only company in India that offers a complete range of pet care products, from medication, and food, to diagnostics/surgery support and more. Our goal is to become a one-stop shop for all pet care needs. We're also getting ready to launch a specialised Pet Care Cosmetic line in Q3FY24. Additionally, we're expanding into the large animal segment, and have plans in place to do so within the next three quarters.

Fredun Nutrition®: We are currently developing 27 new products that we expect to launch by Q2FY24. In addition, we plan to introduce 18 more New-Age Nutraceuticals by Q4FY24. Initially, we will focus on ethically promoting these new products to a select demographic in India. After the first year, we intend to expand their availability across the entire country over a period of 18 to 24 months. Our strategy includes a phased approach to increase reach and distribution across India.

Fredun Cosmetics:

a) BeautyFred®:

In the mass-market segment we are launching our beauty and personal care brand, Beautyfred. We are in the process of launching a comprehensive array of 119 products under 'BeautyFred'. These products are being introduced in a carefully planned, phase-wise manner over an 18-month period.

b) Bird and Beauty (BnB)®:

We are promoting a specialised group of 24 products to dermatologists throughout India in an ethical manner. We plan to expand this range by launching three additional products by Q2FY24. Production has already started in our newly established, state-of-the-art lotion manufacturing unit located in Palghar, initiated with a trial order this past December. We are on schedule to have this unit fully operational and commercialised by the end of the fiscal year FY24.

Fredun Generics®:

In our Fredun Generics division, we've seen significant growth, going from zero sales in FY22 to Rs 8 crore in FY23. We anticipate this will increase to over Rs 35 crore in FY24 and we have ambitious plans to increase that figure to Rs 150 crore over the next three years. This projected growth includes sales from a wide range of 162 products. These will be distributed through generic channels across India, as well as sold to high-end government hospitals and other institutions. Additionally, our Balm unit is doing well. We've secured orders

for 19 million units that will be fulfilled by the second quarter of fiscal year 2024. The first year of the launch will be extensive sampling and free distribution across India. One of our standout products is Chuu Balm, which is currently the most potent and also the most affordable balm in the market. It's specifically priced to ease the suffering of economically disadvantaged communities.

Fredun Mobility®:

Under our brand name 'Brace On,' we are extending our product offerings. To capitalise on our existing distribution channels, we've developed a new line of over 35 mobility products. This range includes back braces, walking aids, and post-surgery support aids. We are working closely with Doctors/Physiotherapists/Trainers and other industry related experts to penetrate the market.

DIRECTOR'S REPORT

Looking forward:

As part of our strategy for vertical integration, our state-of-the-art Bone Graft plant in Palghar is scheduled to begin validation trials by Q2FY24. We expect the plant to be fully operational by Q3FY24, and we anticipate seeing profitability and revenues from this business segment starting around Q3 to mid-Q4 of FY24.

We're also focusing on consolidating our Original Equipment Manufacturer (OEM) business in Africa by focusing on working only via trusted partners in the continent which should positively impact our receivables further, and consequently the operational cash flows should improve. Furthermore, we continue to invest in research and development. By Q3FY24, we plan to open Research and Formulation Development centres specifically for Veterinary Products. We're also planning to launch a unique Nutraceutical range for Pet Healthcare. These initiatives should enhance the long-term revenue and profitability of our Freossi brand.

In addition to our existing facilities in Palghar, to boost the supply chain and to boost the basket of products, we've expanded our manufacturing capabilities to 17 different locations across India. These sites will produce products under our company's supervision and quality standards and will serve not only as production centres but also as distribution hubs across the country. We are also in the planning and implementing stages for a dedicated pet food facility in Palghar, which we aim to have operational by Q1FY25.

As we look forward, we believe that the overall opportunity for growth in consumer markets that our company is spawning into is enormous, and FY24 will be an important year. As you may have noticed, out of our core of being a pharma business serving customers in 50+ countries, we have started spawning into Pet food and Pet care, Beauty and Personal Hygiene, Generics, and Mobility, with our own consumer brands. It is still early days as we prepare to launch. Our brands are manufactured in India, for the world. We plan to invest aggressively to build the foundation of a company that obsesses over serving consumer needs with operational excellence and high efficiency.

Our plan for building our consumer brands is the following:

1. Distribution and Systems Capacity -

We intend to build a significant distribution infrastructure to ensure we can support the sales consumers' demand, with speedy access to a deep product inventory. You can see that while we have made tremendous improvements in our receivables levels -- our receivables level has come down from 40.5% of turnover in 21-22 to 12.6% of turnover in 22-23. Meanwhile, in the same period, we have built a deep pocket of inventory. This allows us to build an anti-fragile distribution capacity that allows us to consistently supply our offline distribution and also prepare the company to launch our digital channels.

2. Brand Promise -

Our company is still small and young relative to many brands and retailers in the markets we are entering -- offline as well as online. We will ensure that we build wide, strong consumer relationships during this critical period.

DIRECTOR'S REPORT

3. Expanded product and service offerings -

We will continue to broaden our scope of products and services as well as add new initiatives.

4. Bench strength -

We will build a strong bench strength across India by investing in teams, processes, advertising, and people development practices. Scaling this is going to be enormously challenging but at the same time will create value for our shareowners and customers.

We built economies of scale over the last half a decade by steadily investing in building the plant, and a capable management team. Although the level of forward investment that we have carried out by building capacities may have impacted us in the short term, we believe that it will provide the best end-to-end experience for consumers, and actually offer the least risky long-term value creation approach for investors. TWe at Fredun Pharmaceuticals Limited are grateful to our customers for their business and trust, to each other for our hard work, and to our shareowners for their unending trust.

Warm Regards
Fredun Medhora
Managing Director & CFO
Fredun Pharmaceuticals Limited

DIRECTOR'S REPORT

Dear Members,

Your Director's have an immense pleasure to present the 36th Annual Report together with the Audited Financial Statements for the year ended March 31, 2023. ('F.Y.2022-23')

FINANCIAL RESULTS:

(Rs. In Lacs)		
Particulars	For the financial year ended 31.03.2023	For the financial year ended 31.03.2022
Income from Business Operations	27,434.17	22,173.69
Other Income	215.58	435.25
Total Income	27,649.75	22,608.94
Total Expenditure other than Financial Costs and Depreciation	24,689.82	21,066.42
Profit/ Loss before Interest, Depreciation and Taxes	2959.93	1,542.52
Finance Cost	928.15	466.86
Depreciation / Amortization	280.93	215.67
Profit / Loss Before exceptional items and tax	1,750.85	859.99
Exceptional Income/ Expenses	0.00	0.00
Prior period adjustments	0.00	0.00
Profit / Loss before Tax	1750.85	859.99
Total Tax expenses	670. 19	226.46
Profit/(Loss) after Tax	1080.66	633.53

DIRECTOR'S REPORT

STATE OF AFFAIRS OF THE COMPANY:

Your Company earned a Total Income of Rs. 27,649.75 lakhs in the Financial Year ended March 31, 2023 as compared to the Total Income of Rs. 22,608.94 Lakhs for the corresponding Financial Year ended March 31, 2022. There was 18.23 % hike in the Total Income of the Company.

Your Company's Net Profit for the Financial Year 2022-2023 was Rs. 1080.66 Lakhs as compared to the Net Profit of Rs. 633.53 Lakhs for the Previous Year i.e., 2021-2022.

Your Company is well diversified in the business ranging from Formulations to Diagnostics to Consultancy. The Company has a unique range of products, from niche formulations, anti-diabetics to the latest anti-retroviral and anti-Hypertensive products.

Your Company is associated with many Governments of different countries which have also realised the need for robust and consistent healthcare systems. Hence there is a great potential for growth in near future.

Your Company is focusing in the Southeast Asian Markets and is doing well in African Markets by adding new molecules to achieve further economics of scale. Your Company has decided to add new products like cosmeceuticals and nutraceuticals in existing as well as in new markets where the registration process is going on. Considering a good potential for growth, your Company has ventured into a separate Generic Division to market different generic products at very competitive prices.

The financial and operational performance overview and outlook is provided in detail in the Management Discussion and Analysis Statement forming part of this Annual Report.

DIRECTOR'S REPORT

DIVIDEND:

The Board of Directors have recommended a final dividend of 7% on the paid-up ordinary Equity Shares of the Company payable to those shareholders of the Company whose names appear in the Register of Members as on the Record date.

TRANSFER TO RESERVES:

The Company proposes to transfer an amount of Rs. 8351.66 Lakhs to reserves for its future growth and diversification.

SHARE CAPITAL:

The paid-up Share Capital of the Company as on March 31, 2023 was Rs. 4,53,22,720 consisting of 45,32,272 Equity Shares of Rs. 10 each.

Issue and Allotment of Equity Shares:

- During the year under review, your Company has converted 20,136 warrants allotted to Non-Promoters into 20,136 Equity Shares having a face value of Rs. 10/- each.
- During the year under review your Company has allotted of 61,993 Equity Shares to Non-Promoters having a face value Rs. 10/- each.
- During the year under review your Company has converted 17,500 warrants allotted to Non-Promoters into 17,500 Equity Shares having a face value of Rs. 10/- each.

SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURE COMPANY:

The Company doesn't have any Subsidiary, Joint Venture or Associate company and hence doesn't require any reporting for the same.

Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, Form AOC-1 is annexed to this report as "**Annexure I**"

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company; Mr. Fredun Nariman Medhora (DIN: 01745348) is liable to retire by rotation at the ensuing 36th Annual General Meeting and being eligible, has offered himself for re-appointment. His re-appointment is being placed for your approval at the ensuing 36th Annual General Meeting. During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors under Section 149(7) of The Companies Act, 2013 in the first Board Meeting of the Financial Year 2022-23 held on April 08, 2022; stating that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013 ("the Act"), Directors of your Company confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(i) your Directors have 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 as at March 31, 2023 and its loss for the year ended on that date;

DIRECTOR'S REPORT

(ii) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iii) your Directors have prepared the Annual Accounts for the financial year ended March 31, 2023 on a going concern basis;

(iv) your Directors have laid down internal financial controls which are followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(v) your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTOR'S REPORT

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:

Pursuant to provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of the performance of the Board, its Committees and of individual Directors. Performance evaluation has been carried out as per the Nomination & Remuneration Policy of the Company.

BOARD MEETINGS AND COMMITTEE MEETINGS:

- Eleven (11) Board Meetings were held during the Financial Year 2022-23. The details of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.

- Four (4) Audit Committee Meetings were held during the Financial Year 2022-23. The details of the Audit Committee Meetings and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.

- One (1) Nomination & Remuneration Committee Meeting was held during the Financial Year 2022-23. The details of the Nomination & Remuneration Committee Meetings and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.

- One (1) Stakeholders Relationship Committee Meeting was held during the Financial Year 2022-23. The details of the Committee Meeting and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.

- One (1) Independent Directors Committee Meeting was held during the Financial Year 2022-23. The details of the Committee Meeting and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.

- Two (2) Corporate Social Responsibility Committee Meeting was held during the Financial Year 2022-23. The details of the Committee Meeting and the attendance of the Directors are provided in the Corporate Governance Report which is annexed herewith.

The details of attendance of Directors at the Board Meeting and Members at the Committee Meetings are disclosed under Corporate Governance section of Annual Report.

AUDIT COMMITTEE:

The Audit Committee consists of the following members as on March 31, 2023:

Sr. No.	Name	Category
1	*Dr. Chandrakant Shah	Non-Executive Independent Director
2	Mr. Fredun Medhora	Executive Director
3	Dr. Rohiton Kanga	Non-Executive Independent Director

* Mr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

DIRECTOR'S REPORT

During the year under review, the Board has accepted all the recommendation of the Audit Committee. The details terms of reference, meetings of committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees and provides for direct access to the Chairman of the Audit Committee. The same is also available on the website of the Company at www.fredungroup.com

NOMINATION & REMUNERATION COMMITTEE:

In compliance with the provisions of Companies Act, 2013, your Company has 'Nomination & Remuneration Committee' with scope and functions as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations. The Nomination and remuneration Committee consists of the following members as on March 31, 2023.

Sr. No.	Name	Category
1	Dr. Rohiton Kanga	Non-Executive Independent Director
2	*Dr. Chandrakant Shah	Non-Executive Independent Director
3	Dr. Aspi N. Raimalwala	Non-Executive Independent Director

* Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

The terms of reference, meetings of Committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Your Company has Stakeholders Relationship Committee with enhanced scope and functioning. The Stakeholders Relationship Committee consists of the following members as on March 31, 2023.

Sr. No.	Name	Category
1	*Dr. Chandrakant Shah	Non-Executive Independent Director
2	Dr. (Mrs.) Daulat N. Medhora	Executive Director
3	Dr. Aspi N. Raimalwala	Non-Executive Independent Director

* Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

The terms of reference, meetings of committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

DIRECTOR'S REPORT

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The Policy can be accessed on the Company's website at www.fredungroup.com. During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. During the year under review there were no material related party contracts entered into by the Company requiring shareholders' approval.

There were no materially significant Related Party Transactions made by the Company during the year that would fall under the scope of Section 188 of the Company Act, 2013. Disclosure in Form AOC-2 in terms of Section 134(3) (h) of The Companies Act, 2013 is annexed as "**Annexure II**".

The policy on materiality of information / documents and dealing with it has been approved by the Board and the same is also available on the website of the Company at www.fredungroup.com.

CORPORATE SOCIAL RESPONSIBILITY:

During the year under review i.e., for the Financial Year 2022-23; the Company under statutory obligation was required to spend an amount of Rs.9,53,408.00/- as contribution towards the Corporate Social Responsibility activities.

Since the Company could not find any suitable projects to opportunities during the year to incur CSR expenditure, the Company has not spent the requisite amount.

The Company has a Policy on Corporate Social responsibility (CSR) duly approved by the Board and the same has been hosted on Company's website at www.fredungroup.com.

The detailed report on CSR is enclosed as "**Annexure-III**" to the report.

STATUTORY AUDITORS:

In accordance with the provisions of Section 139 of the Companies Act, 2013, at the Annual General Meeting held on September 27, 2018, M/s. Savla & Associates, Chartered Accountants, (Firm Registration No. 109361W) were appointed as the Statutory Auditors of the Company for a second term of 5 consecutive years commencing from the conclusion of 31 st Annual General Meeting (AGM) till the conclusion of the ensuing 36 th AGM of the Company. Accordingly, the second term of M/s. Savla & Associates, Chartered Accountants as the Statutory Auditors is ending at the conclusion of ensuing 36 th AGM of the Company and hence they are ineligible for re-appointment.

Based on the recommendation of Audit Committee, the Board of Directors of the Company at their meeting held on May 24, 2023 approved and recommended to the members of the Company, appointment of M/s. R.H. Nisar & Co. (Chartered Accountant) (Firm Registration Number: 103659), as Statutory Auditors of the Company from the conclusion of the 36 th Annual General Meeting of the Company till the conclusion of the 41st Annual General Meeting of the Company. The resolution for the appointment of M/s. R.H Nisar & Co. Chartered Accountants, as Statutory Auditors of the Company is placed at the ensuing AGM for approval of members of the Company. The Company has received consent letter and eligibility certificate under sections 139 and 141 of the Companies Act, 2013 from M/s. R.H Nisar & Co. Chartered Accountant, confirming that they are eligible for appointment as Statutory Auditors of the Company.

DIRECTOR'S REPORT

AUDITORS' REPORT:

The Auditors' Report on Standalone Financial Statements for the year ended March 31, 2023 forms integral part of this Annual Report

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Savla & Associates, in their Report dated May 24, 2023; on the Financial Statements of the Company for Financial Year 2022-23.

The Statutory Auditors of the Company have not reported any fraud under Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of The Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; the Board of Directors had appointed Ms. Kala Agarwal, Practising Company Secretary, to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2023. The Secretarial Audit Report is annexed as "Annexure IV".

COST AUDIT REPORT:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014; your Company with reference to its Pharma business is required to maintain the cost records as specified under Section 148 of the Companies Act, 2013 and the said cost records are also required to be audited by the Practising Cost Accountants. Your Company is maintaining all the cost records referred above.

The Board, on the recommendation of the Audit Committee, had appointed M/s. Joshi Apte & Associates, Practising Cost Accountants (Firm Registration No. 00240), as the Cost Auditors of the Company for conducting the audit of cost records made and maintained by the Company for the Financial Year 2022-23.

SEGMENT

The Company operates only in a single segment i.e. Pharmaceutical Segment.

DEPOSITS:

During the year under review, the Company has not accepted deposits covered under Sections 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, the Company has made necessary disclosures and reporting as required in respect of details relating to deposits.

CORPORATE GOVERNANCE REPORT:

As per Regulation 34(3) read with Schedule V of the Listing Regulations, your Company has complied with the requirements of corporate governance. A Corporate Governance Report along with Certificate from Practising Company Secretary confirming compliance of corporate governance for the year ended March 31, 2023 is provided separately and forms integral part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Management Discussion and Analysis for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as "Annexure V" to this Report.

DIRECTOR'S REPORT

ANNUAL RETURN:

Pursuant to the provisions of Sections 134(3)(a) and 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2023, is placed on the website of the Company at www.fredungroup.com

SECRETARIAL STANDARDS:

The company has complied with all the mandatorily applicable Secretarial Standards issued by the Institute of Company Secretaries of India under Section 118(10) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Pursuant to Section 186 of the Companies Act, 2013 disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

BUSINESS RISK MANAGEMENT:

The Company is exposed to inherent uncertainties owing to the sector in which it operates. A key factor in determining the Company's capacity to create sustainable value is the ability and willingness of the Company to take risks and manage them effectively and efficiently. Many types of risks exist in the Company's operating environment and emerge on a regular basis due to many factors such as changes in regulatory framework, economic fundamentals etc. In order to evaluate, identify and mitigate these business risks, the Company has a robust Risk Management framework.

This framework seeks to create transparency, ensure effective risk mitigation process and thereby minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The Business risks as identified are reviewed and a detailed action plan to mitigate the identified risks is drawn up and its implementation is monitored. The key risks and mitigation actions are placed before the Audit Committee of the Company.

COMPLIANCE WITH PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), 2013:

The Company is committed to uphold and maintain the dignity of Women Employees. An Internal Complaints Committee has been formed for each location of the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has a broad and comprehensive policy in place to deal with any such situation. The Policy is available on the website of the Company at www.fredungroup.com. No case of Sexual harassment was reported to the Internal Complaints Committee during the year under review.

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

Your Company has heavily invested into the latest machineries for both the manufacturing and packing departments; hence it is imperative to take care of the internal systems and work culture. The Company is continuously complying as per the Pollution Regulation Control Board of Maharashtra.

The Company also conducts in-house energy audits at regular intervals with proper monitoring and maintenance of all the machines. Conservation of energy in all the departments is an on- going process which requires a proactive compliance. It is a must to have a high performing and competent Quality Control and Quality Assurance team which monitors the compliance of all the regulatory aspects of manufacturing.

DIRECTOR'S REPORT

Special emphasis is given on improving the manufacturing processes which will help in reducing manufacturing time, manpower and electricity consumption. Additional conveyor belts are installed to transfer the finished goods from manufacturing departments to BSR and also from BSR to the container loading bay. This has helped in reducing time, money and energy to a great extent. The newly installed automatic equipment and instruments will give higher output with less manpower and increase the productivity of the Company.

The other Integrated Systems with proper data storage gives consistent performance and lowers the cost of production. The continuous monitoring is done of existing compressors, boilers electrical heaters, pumps etc. for enhancing energy efficiency.

For the treatment of waste water, your Company has installed a bigger ETP plant which controls water pollution. The treated water is used for gardening and a green environment is well maintained and no waste water is allowed to run outside the manufacturing unit. The waste sludge is regularly monitored by MPCB Department.

With a full-fledged R&D Department, your Company has developed and launched many new molecules like antihypertensive, antidiabetic, ARVs and even narcotics. These molecules are either under patent or still not universally manufactured on a large scale. Continuous efforts are made to improve the quality of the products in respect of better bioavailability and stability.

Two new walk-in stability chambers are also installed for monitoring the stability of the products. Continuous R&D is going on for established products also to reduce the cost of manufacturing and improve the quality and stability of the products. Your Company has also installed fully automatic purified water generation and distribution system to cater to newly started ointments, creams and gels manufacturing Department along with the Department for manufacturing pellets of various APIs complying as per cGMP norms.

Foreign Exchange earnings and outgo:

Foreign Exchange Earnings:	Export of Goods- 6203.09 Lacs
Foreign Exchange Outgo:	Import of Goods- 52.66 Lacs

As per RBI Guidelines, the Company manages Foreign Exchange Risk to protect value of exposures. From time to time the Board reviews the Foreign Exchange Exposure.

DIRECTOR'S REPORT

PARTICULARS OF EMPLOYEES:

None of the employees of the Company fall under the limits laid down in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details in terms of sub - section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as “**Annexure VI**”.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

Your Company maintains adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances.

DETAILS OF SIGNIFICANT MATERIAL ORDERS:

No significant and material orders were passed by the Regulatory Authorities or the Courts or Tribunals that may have an impact on the “Going Concern Status” and Company's Operations in the future.

DETAILS OF FRAUD:

There was no fraud reported by the Auditors of the Company under Section 143 (12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

PREVENTION OF INSIDER TRADING:

Your Company has adopted a Code of Conduct for prevention of Insider Trading and Code of Fair Disclosure of Unpublished Price Sensitive Information to ensure prevention of Insider Trading in the Organization.

CHANGE IN THE NATURE OF BUSINESS:

There is no material change in the type of business the Company is carrying.

MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There were no other reportable material changes or commitment, occurred between the end of the Financial Year and the date of this report, which may have any effect on the financial position of the Company.

TRAINING AND HUMAN RESOURCE MANAGEMENT:

Your Company is working strategically to recruit, develop and utilize people - Our most valuable business resource. Your Company is actively pursuing policies for the strategic and well-planned recruitment, development and utilization of human resources who can understand and practice the Company's Management Principles and Activity Guidelines in order to contribute broadly to society and continue creating new values. Effective recruitment, development and the utilization of globally competitive human resources are the most important issues for your Company to survive the current ever-changing business environment and achieve sustainable growth. Our concern is to ensure that each of our employees exercise their full potential in line with the business strategy of their respective departments.

PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

DIRECTOR'S REPORT

DISCLOSURES WITH RESPECT TO SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

Sr. No.	Particulars	Status
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. as on April 1, 2022.	4000
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year 2022-23	NA
3	Number of shareholders to whom shares were transferred from suspense account during the year 2022-23	NA
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e March 31, 2023	4000

The voting rights of the shareholders of the above shares shall remain frozen till the rightful owner claims the shares.

ACKNOWLEDGEMENT:

The Directors express their deep gratitude and thank the Central and State Governments as well as their respective Departments and Development Authorities connected with the business of the Company, Contractors and Consultants and also Banks, Financial Institutions, Debenture Trustees, Shareholders, Debenture-Holders and Employees of the Company for their continued support and encouragement and look forward for the same in future.

For FREDUN PHARMACEUTICALS LIMITED

Sd/-

DR. (MRS.) DAULAT MEDHORA
CHAIRPERSON & JT. MANAGING DIRECTOR
DIN: **01745277**

Sd/-

MR. FREDUN MEDHORA
MANAGING DIRECTOR AND CFO
DIN: **01745348**

PLACE: **MUMBAI**

DATE: **MAY 24, 2023**

ANNEXURE TO DIRECTORS REPORT

ANNEXURE-I

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 Rs.)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	NIL
2.	The date since when subsidiary was acquired	NIL
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NIL
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NIL
5.	Share capital	INIL
6.	Reserves & surplus	NIL
7.	Total assets	NIL
8.	Total Liabilities	NIL
9.	Investments	NIL
10.	Turnover	NIL
11.	Profit before taxation	NIL
12.	Provision for taxation	NIL
13.	Profit after taxation	NIL
14.	Proposed Dividend	NIL
15.	Extent of shareholding (in percentage)	NIL

Notes:

The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations- N.A.
- Names of subsidiaries which have been liquidated or sold during the year- N.A.

ANNEXURE TO DIRECTORS REPORT

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Sr. No.	Name of associates/Joint Ventures	Details
1.	Latest audited Balance Sheet Date	NIL
2.	Date on which the Associate or Joint Venture was associated or acquired	NIL
3.	Shares of Associate/Joint Ventures held by the company on the year end	NIL
	No.	NIL
	Amount of Investment in Associates/Joint Venture	NIL
	Extend of Holding (in percentage)	NIL
4.	Description of how there is significant influence	NIL
5.	Reason why the associate/joint venture is not consolidated	NIL
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	NIL
7.	Profit/Loss for the year	
a.	Considered in Consolidation	NIL
b.	Not Considered in Consolidation	NIL

- Names of associates or joint ventures which are yet to commence operations. NIL
- Names of associates or joint ventures which have been liquidated or sold during the year. NIL

Note:

This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For FREDUN PHARMACEUTICALS LIMITED

Sd/-

Sd/-

DR. (MRS.) DAULAT MEDHORA
CHAIRPERSON & JT. MANAGING DIRECTOR
DIN: 01745277

MR. FREDUN MEDHORA
MANAGING DIRECTOR AND CFO
DIN: 01745348

PLACE: MUMBAI
DATE: MAY 24, 2023

ANNEXURE TO DIRECTORS REPORT

ANNEXURE-II

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

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

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

- (a) Name(s) of the related party and nature of relationship: NIL
- (b) Nature of contracts/arrangements/transactions: NIL
- (c) Duration of the contracts/arrangements/transactions: NIL
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
- (e) Justification for entering into such contracts or arrangements or transaction: NIL
- (f) Date(s) of approval by the Board: NIL
- (g) Amount paid as advances, if any: NIL
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL

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

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/Transactions:
- (c) Duration of Contracts/ arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

***Related party transactions under Accounting Standard (AS) 18 are disclosed in Note -39 to the financial statements for the year ended March 31, 2023.**

For FREDUN PHARMACEUTICALS LIMITED

Sd/-

Sd/-

DR. (MRS.) DAULAT MEDHORA
CHAIRPERSON & JT. MANAGING DIRECTOR
DIN: 01745277

MR. FREDUN MEDHORA
MANAGING DIRECTOR AND CFO
DIN: 01745348

PLACE: MUMBAI

DATE: MAY 24, 2023

ANNEXURE TO DIRECTORS REPORT

ANNEXURE-III

CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The CSR Policy sets out our commitment to ensuring that our activities extend beyond business and includes initiatives and endeavors for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives. Through this CSR Policy, the Company proposes to adopt short, medium and long term CSR programs and initiatives.

2. Composition of CSR Committee:

Sr. Name of Director	Designation/ Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1. Dr. Rohinton Kanga	Non-Executive Independent Director	2	2
2. Dr. (Mrs.) Daulat Medhora	Joint Managing Director	2	2
3. Mr. Fredun Medhora	Managing Director -	2	2

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

<http://www.fredungroup.com/investor-statutory-documents.html#investor>

4. Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable.

5. (a) Average Net Profit (last 3 immediate financial years) of the Company as per Section 135(5):

Rs. 4,76,70,400.17/-

(b) Two percent of average net profit of the Company as per Section 135(5): Rs. 9,53,408.00/-

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

Not Applicable.

(d) Amount required to be set off or the financial year, if any: Not Applicable.

(e) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 9,53,408.00/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): NIL

ANNEXURE TO DIRECTORS REPORT

- (b) Amount spent in Administrative Overheads: NIL
 (c) Amount spent on Impact Assessment, if applicable: NA
 (d) Total amount spent for the Financial Year (a+b+c): NIL
 (e) CSR amount spent or unspent for the financial year: Rs. 9,53,408.00/-

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

(f) Excess amount for set off, if any- NIL

Sr. No.	Particulars	Amount (in Crores)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	Rs. 9,53,408.00/-
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Details relating to such asset (s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

ANNEXURE TO DIRECTORS REPORT

1	2	3	4	5	6		
Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-----NOT APPLICABLE-----							

(All the fields should be captured as appearing in the revenue record, flat no, house no, MunicipalOffice/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:

The Company was unable to spend the requisite amount towards CSR Expenditure as the Company could not find suitable projects to utilize its expenditure. Further, in compliance with provisions of Section 135 of the Companies Act, 2013, the Company has transferred such unspent amount to Fund as specified under Schedule VII read with Section 135 of Companies Act, 2013

Sd/-
FREDUN MEDHORA
MANAGING DIRECTOR
(DIN: 01745348)

Sd/-
DR. ROHINTON KANGA
CHAIRMAN OF CSR COMMITTEE
(DIN: 07178190)

ANNEXURE TO DIRECTORS REPORT

ANNEXURE-IV

FORM NO. - MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31 ST MARCH, 2023 [Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
FREDUN PHARMACEUTICALS LIMITED

11 th Floor, Tower A, Urmi Estate,
95, Ganpatrao Kadam Marg, Lower Parel (W)
Delisle Road, Mumbai -400013

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by FREDUN PHARMACEUTICALS LIMITED (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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also 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, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by FREDUN PHARMACEUTICALS LIMITED for the financial year ended on March 31, 2023 according to the provisions of:

- (i)** The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii)** The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the Rules made thereunder;
- (iii)** The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv)** Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v)** The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (a)** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b)** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c)** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d)** The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e)** The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f)** The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

ANNEXURE TO DIRECTORS REPORT

- (g)** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h)** The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (i)** The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other laws specifically applicable to the Company, namely:

1. The Companies Act 2013 and Rules Made there under.
2. Maintenance of records relating to shares.
3. Securities Contracts (Regulations) Act, 1956
4. Industries (Development & Regulations) Act, 1951.
5. Indian Customs Act, 1962.
6. Shops and Establishment Act, 1948.
7. Income Tax Act, 1961.
8. Payment of Gratuity Act, 1972.
9. Payment of Wages Act, 1936.
10. Employees State Insurance Act, 1948.
11. Provident Fund Act, 1952 & Family Pension Act, 1971
12. Payment of Bonus Act, 1965.
13. Workmen's Compensation Act, 1923.
14. Minimum Wages Act, 1948.
15. The Factories Act, 1948
16. Industrial Disputes Act, 1947.
17. The Contract Labour (Regulation & Abolition) Act, 1970.
18. Personnel Injuries (Compensation) Act, 1963.
19. Public Liability Insurance Act, 1991.
20. The Apprentices Act, 1961.
21. Equal Remuneration Act, 1976.
22. Employment Exchanges (compulsory vacation of notices) Act, 1959.
23. Maternity Benefit Act, 1961.
24. Industrial Employment (Standing orders) Act, 1946.
25. Environment (Protection) Act, 1986.
26. The Information Technology Act, 2000.
27. The Depositories Act, 1996.
28. The Competition Act, 2002.
29. Consumer Protection Act, 1986.
30. Right to Information Act, 2005.
31. Emblems and Names (Prevention of Improper Use) Act, 1950.
32. The Trade Marks Act, 1999.
33. The Patents Act, 1970.
34. The Indian Copyright Act, 1957.
35. Pharmacy Act, 1948.
36. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974.
37. Essential Commodities Act, 1955.
38. Food Safety and Standards Act, 2006.

ANNEXURE TO DIRECTORS REPORT

39. The Central Goods and Services Tax Act, 2017
40. Maharashtra Goods and Services Tax Act, 2017
41. The Boiler Act, 1923
42. The Maharashtra Fire Prevention & Life Safety Measures Act, 2006
43. The Air (Prevention and Control of Pollution) Act, 1981
44. The Narcotic Drugs and Psychotropic Substances Act, 1985
45. The Andhra Pradesh Fire Services Act, 1999
46. The Water (Prevention and Control of Pollution) Cess Act, 1977
47. Drugs & Cosmetics Act, 1940
48. Drugs (Prices Control) Order, 1995
49. Homoeopathy Central Council Act, 1973
50. Petroleum Act, 1934
51. Poisons Act, 1919
52. Food Safety and Standards Act, 2006
53. Insecticides Act, 1968
54. Bombay Provincial Municipal Corporations Act, 1949
55. Trade Union Act, 1926
56. Foreign Trade (Development and Regulation) Act, 1951
57. Industrial Relations Act, 1967
58. Prevention of Money Laundering Act, 2002

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

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

ANNEXURE TO DIRECTORS REPORT

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

1. The Company was required to incur an expenditure of Rs. 9,53,408.00/- during the F.Y 2022-23 as Corporate Social Responsibility (CSR) Obligation, however due to non-availability of suitable project opportunities, the Company has not incurred the requisite expenditure.

As informed by the Management, the Company is in the process of transferring such unspent amount to a Fund in accordance with the provisions of Schedule VII of the Companies Act, 2013.

2. During the year under review, a fine of Rs. 2,14,760/- was imposed by the Stock Exchange for delay in complying with the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. During the year under review, a fine of Rs. 1,98,72,000/- was imposed by the Stock Exchange for non-compliance with the provisions of Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the F.Y. 2019-2020, F.Y. 2020-2021 and F.Y 2021-2022.

4. During the year under review, a fine of Rs. 1,07,85,000/- was imposed by the Stock Exchange for non-compliance with the provisions of Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the F.Y 2020-2021 and F.Y 2021-2022.

We further report that:

The BSE Ltd. has imposed a fine on March 23, 2023 for non-compliance with provisions of Regulations 23(9) - Non-compliance with disclosure of related party transactions on consolidated basis and 27(2) - Non-submission of the Corporate governance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 aggregating to Rs. 3,61,75,260/- (including GST).

The Company has filed a Waiver Application with BSE for waiver of the aforementioned fine on the grounds that there was a difference in interpretation of the law between the parties. The Management believes that the Company's stands will be accepted and that the fine imposed shall be waived off by BSE. The reply from BSE on this matter is awaited as on the date of this report.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

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

Sd/-

Kala Agarwal

Practising Company Secretary

C P No.: 5356

UDIN: F005976E000372309

PLACE: MUMBAI

DATE: MAY 24, 2023

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

ANNEXURE TO DIRECTORS REPORT

To,
The Members,
FREDUN PHARMACEUTICALS LIMITED
11 th Floor, Tower A, Urmi Estate
95, Ganpatrao Kadam Marg, Lower Parel (W)
Delisle Road, Mumbai -400013

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

Kala Agarwal
Practising Company Secretary
C P No.: **5356**
UDIN: **F005976E000372309**
PLACE: **MUMBAI**
DATE: **MAY 24, 2023**

ANNEXURE TO DIRECTORS REPORT

ANNEXURE-V MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Fredun Pharmaceuticals Limited – AR FY23 – MDA

Global Economy

In 2022, when the global economy was still recovering from the effects of the COVID-19 pandemic, the growth was significantly affected by geopolitical tensions. This impacted the global supply chains which led to higher inflation, particularly in the developed economies. To restore price stability, central banks hiked the interest rates. Certain economies continue to witness inflationary pressures and it is expected that the impact on growth, caused by the continued monetary tightening to control inflation, would peak in 2023. Moreover, the widespread banking sector stress, due to excessive increase in interest rates, is expected to give way to restrictive credit conditions which will further dampen activity. This is expected to cause a significant slowdown in growth in the second part of 2023.

Therefore, the global growth is projected to slow down from 3.1% in 2022 to 2.1% in 2023, before reporting a tepid recovery in 2024, to 2.4%.

Sources: World Bank's Global Economic Prospects, June 2023

Indian Economy

The real GDP of India increased by 7.0% in FY2023, against 8.7% in FY2022. At the beginning of FY2023, several projections indicated that India was well-positioned for a strong growth and would resume its pre-pandemic growth trajectory. However, the growth was impacted due to increase in inflation which was a result of geopolitical conflicts and unfavourable weather conditions. To reduce inflationary pressures, the Indian government banned food exports while RBI increased repo rates and reduced surplus liquidity in the economy. This resulted in inflation falling back to RBIs' targeted range in November 2022 after being above the RBI's upper tolerance target of 6% for over ten months.

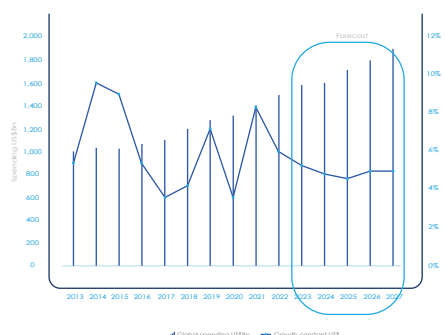
The Indian GDP is predicted to increase by 6.5% in FY2024, primarily driven by private consumption which would come at the back of recovery in rural demand and growing disposable income in the hands of increasing upper middle-class population.

Source: Economic Survey 2022-2023; RBI Bulletin April 2023, May 2023

Global Pharmaceutical Industry

According to IQVIA, the global medicine market is anticipated to grow from US\$ ~1.5 trillion in 2022 to US\$ 1.9 trillion in 2027, excluding the expenditures on COVID-19 vaccines and therapeutics, reporting a growth of 3-6% CAGR between 2023-27. However, global spending, including COVID-19 vaccines and therapeutics, is expected to exceed this outlook by US\$ 497 billion in 2027.

Global medicine market size and growth (excluding COVID-19 vaccines & therapeutics)



The growth between medicine expenditures and volume growth trends will differ across regions.

ANNEXURE TO DIRECTORS REPORT

The U.S. medication market, already the largest in the world, is anticipated to increase from US\$ 629 billion in 2022 to US\$ 763 billion by 2027; growing at a CAGR of 2.5-5.5% during the forecasted period. The growth will be driven by increased usage of existing protected branded products.

Over the next five years, it is anticipated that spending on medicines in Europe's top five markets—France, Germany, Italy, Spain, and the United Kingdom—will increase by US\$ 59 billion to reach US\$ 263 billion. Similar to the U.S., it is anticipated that protected branded medications will drive growth in these regions. As a worldwide innovation powerhouse, the Asia-Pacific (APAC) region's medication spending is expected to increase at CAGR of 5.5-8.5% between 2023-27 and touch US\$ 108 billion by 2027. The region will be dominated by China, Japan, and Korea in terms of the region's total innovative pipeline assets. APAC Region, in comparison to the United States and the European Union, has distinct industry dynamics and a highly competitive environment because of its complex and diversified regulatory environment and different pharmaceutical industry infrastructures in every country. This ends up impacting innovation across countries. In China, the market is anticipated to increase from US\$ 166 billion in 2022 to US\$ 194 billion in 2027 while the rate of spending growth is anticipated to slow down. It is anticipated that medical spending in Japan, the thirdlargest market in the world, will remain steady at US\$ 75 billion due to rising spends towards protected innovator drugs offset by regulations that support a shift to generics and annual price cuts.

APAC Region's emerging nations include India, Malaysia, Singapore, Thailand, and Vietnam. Growth in these nations will be fuelled by rising population, large R&D expenditures, a modernized manufacturing base, and the incidence of chronic diseases.

Source: The Global Use of Medicines 2023: Outlook to 2027, IQVIA Report; Asia-Pacific Pharmaceutical Industry Outlook, 2023, Frost & Sullivan Report

Indian Pharmaceutical Industry

As per Gol's Department of Pharmaceuticals Annual Report 2022-23, India's pharmaceutical market stood at US\$ 42 billion in FY2022 in terms of revenue. The country continues to hold a dominant position as a global provider of generics, contributing up to 20% of the volume of the global supply. Manufacturing, which contributes 15% to 18% of GDP in India, has emerged as one of the high-growth industries. India is the thirdlargest volume manufacturer in the pharmaceutical industry and has the most FDA-compliant manufacturing facilities outside of the US, with a 33% cheaper manufacturing cost than other nations. According to ICRA, continued investments in R&D initiatives would guarantee steady market growth and improvements in profit margins over the coming few years. The nation anticipates a significant increase in domestic API output, including high-value APIs, as a result of the Production Linked Incentive (PLI) Scheme.

On the regulatory side, as part of G20 presidency, the Indian government has laid down plans to promote innovation and solutions in the field of digital health and strengthen co-operation in the industry by ensuring availability and affordability of drugs. Besides this, the Pharmaceuticals and Medical Devices Bureau of India (PMBI) has opened more than 9,000 Kendras (centers) since the launch of the Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP), providing 1,759 medicines and 280 surgical devices. They ended up clocking a sales of US\$ 105 million (INR 869 crores) in 2022 and expect that to increase to US\$ 145 million (INR 1,200 crores) by the end of 2023.

Source: Asia-Pacific Pharmaceutical Industry Outlook, 2023, Frost & Sullivan Report

Pet Care Industry

India is one of the fastest-growing pet care marketplaces in the world. The industry was valued at US\$ 508 million in 2022 and is expected to grow at a CAGR of 24% between 2023 and 2028. There is a growing trend

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toward pet adoption as evidenced by the increase of pet families in recent years. This has been due to rise in the number of nuclear families that has resulted in need for strong emotional connection from kids and elderly.

Dogs are among the most preferred pets in India and as per estimates, there are going to be 31 million pet dogs by end of 2023. Cats are the second most popular owned by 20% of pet owners. The perspective of the industry has changed from pet ownership to responsible pet parenting, which has an impact on the duties of caregivers and the quality of life for pets. With millennials treating their pets like children and seeing them as an extension of their family, they have no problem allocating a sizeable percentage of their income to the upkeep of their animals. This covers yearly vaccines, grooming, interactive therapy, a balanced diet, and even pet get-togethers. With a market value of US\$ 310 million, the pet food segment is the largest in the pet care sector. Followed by pharmaceuticals for pets at US\$ 90 million and pet accessories at US\$ 65 million.

Source: PetKeen, Statista

Nutraceuticals Industry

The demand for nutraceutical products in India has increased in recent years and continues to thrive, resulting in a remarkable CAGR of 20% over the past three years. The expansion is primarily being driven by increased awareness of health and wellbeing, a growing middle class with rising incomes, and growing recognition of the benefits of wellness supplements. By the end of 2025, projections show that India's nutraceutical business is anticipated to grow from US\$ 4 billion to an astonishing US\$ 18 billion.

People's awareness towards improvement of their lifestyles has increased during the last three years. Additionally, thanks to digital technology and the expansion of D2C (direct-to-consumer) and e-commerce channels, nutraceutical firms are able to offer individuals better access to high-quality, effective nutrition and supplements. Most Indians have been reported to have low vitamin D despite receiving enough sunlight. It has also become challenging to consume enough Omega-3 fatty acids and vitamin B12 through diet alone. Nutraceuticals are being used more frequently to support and build immunity as well as to address particular lifestyle needs like sleep, eye, brain, bone, and heart health along with general physical and mental wellness. Supplements are no longer viewed as a medicine, rather, they are consumed as a necessary component of daily nutrition. While always on the go, millennial and Gen Z consumers have also recognized the need to look after their health. In order to meet this need, the industry is also offering supplements in the form of tablets, chewables, gummies, and even portable mixes.

Source: Publicly available articles and resources

Cosmeceuticals Industry

In 2022, the Indian market for cosmetics and personal care products was valued at \$26 billion. As per industry estimates, the market is estimated to grow at a CAGR of 6.5% between 2023 and 2028 to reach US\$ 38 billion. The market is being driven by a number of factors like the availability of a wide variety of products, the growing desire for natural and organic goods, and the expanding use of e-commerce platforms. The cosmetics sector in India has undergone substantial expansion as a result of changing lifestyles and rising awareness. India's consumer migration to online channels has benefited D2C (direct-to-consumer) brands, just like it did for China. The tendencies toward the usage of clean and environmentally friendly products were another element that supported the growth of the beauty and personal care sector. Numerous market competitors are providing vegan, paraben-free, fragrance-free, and organic products in response to this demand, which are thought to be safer for the skin and general health. In addition, India has a sizable and expanding young population, which makes up a crucial market demographic.

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Source: The International Market Analysis Research and Consulting Group (IMARC)

Company Overview

Established in 1987, Fredun Pharmaceuticals ("Fredun" or "the Company") is a leading formulations Company in India, operating as a wholly owned subsidiary of Fredun Group. With over 35 years of experience in various pharmaceutical formulations, the Company is trusted by customers across Africa, Southeast Asia, Commonwealth of Independent States (CIS) countries and Latin America. Fredun has recently diversified into manufacturing of dietary/herbal supplements, nutraceuticals, and other healthcare products along with animal healthcare products. With such a diverse range of products, the Company's objective is to be a holistic healthcare provider.

Over the years, it has transformed into a company that is supported by a formidable manufacturing base and a strong reputation amongst global customers backed by strong execution. Their product basket comprises of 1200+ global registrations spread across 46 countries and their key products include Metformin, Fexofenadine, Nifedipine. The Company has presence across most therapies with key focus on Artemether Lumafantrine. Anti-diabetics, Anti-retrovirals and anti-hypertensives products.

Business segments

The Company operates in four segments through different brands: Generics (Exports & Fredun Gx), Pet Healthcare (Freossi), Nutraceuticals (Fredun Nutrition) and Cosmeceuticals (Bird and Beauty or BnB).

Generics

In 2020, Fredun recently entered trade generic segment in India after successfully exporting to 46 countries for 30+ years. The Company started operations in Maharashtra and has launched products across various target medicine segments. The product segment includes anti diabetics, antacids, antiemetics, anti-bacterials, anti-hypertensives, anti-fungals, anti-allergics and much more.

Business Update

Exports

- Secured XX registrations across countries during the year and expects 220 registrations in FY24
- Signed a one-year contract worth Rs. 65 crores with a Southeast Asian country. Revenues from this contract have commenced and the order is expected to be fully executed by H1FY24
- Signed contracts with three African countries that will be fully executed by next year Fredun Gx Brand
- Launched 100+ products in India under the brand in FY23

Pet Healthcare

Fredun launched Freossi in 2021 with an aim to provide best quality, efficient and affordable pet healthcare products in India. The product portfolio comprises of MCHC bases supplements, animal feed additives and other animal healthcare formulations for pets, poultry, and cattle. Fredun specializes in manufacturing various formulations made from MCHC ('Microcrystalline Hydroxyapatite Complex') which is a natural source of Calcium & Phosphorus for animals. Fredun happens to be the largest manufacturer of MCHC in India. MCHC's efficacy is time-tested and clinically proven for more than 60 years. Fredun ensures superior quality control of raw materials and finished products and gets the quality approval of all their products from a professional laboratory run by highly qualified personnel.

Business Update

Freossi Brand

- Launched 14 products under our Pet Pharma range
- Launched 16 products under our Pet Treat and Feed Supplement range

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- Launched the affordable Pet Grooming range at a large scale with 43 products
- Ultra-Niche Pet Care Cosmetic Products are set for launch in FY24

Nutraceuticals

In 2022, Fredun launched a range of personal health care products with natural active ingredients devoid of any poisonous heavy metals or synthetic additives which are objectionable under its brand Fredun Nutrition. Every product is at par with world-class quality standards that is manufactured at their own facility. The products are backed by years of research ensuring the best efficacy & quality. The Company has conducted clinical trials on key brands like Mamalait and Damavand.

Business Update

Exports

- Fully executed the contract signed with GCC region for Nutraceuticals and Human Feed supplements
- Revenue from Nutraceuticals and Human Feed Supplements expected to cross US\$ 2 million in FY24

Fredun Nutrition Brand

- Launched XX products during the year in the XX categories
- Plan to launch 16 additional New-Age Nutraceuticals in FY24. Initially, these molecules will be sold only in Maharashtra before they are sold across India.

Cosmeceuticals

Fredun has turned out to be a pioneer in launching the Emu Oil infused product range in India, under its brand Bird and Beauty or BnB. The Company offers a unique line of luxury personal care formulae with pure, fully refined Emu Oil, providing their customers with the Emu Oil products of highest quality. Used by Australian Aborigines for centuries, Emu Oil is coveted for its rich moisturizing benefits for hair, skin, and nails. It contains a balance of nourishing Omega 3, 6, and 9 essential fatty acids. The Emu Oil is humanely acquired from free-range, hormone-free birds and is gently refined using an advanced, proprietary, and chemical-free process that produces clear, odourless, and a highly stable oil. The formulations have been made after years of research and clinical trials at its own facility

Launched in 2022, the products cater to skin care, hair care and body care. The Company is marketing the products mainly through e-commerce platforms and is targeting the skin and hair care segments. As the research is on-going for multiple products, BnB will scale up the launch of more products in the segments in the coming years.

Business Update

Exports

- Added 19 products during the year

Bird and Beauty Brand

- Launched XX products during the year in the XX categories
- Commenced production in the recently set up State-of-the-art Lotion manufacturing unit at Palghar in December with a trial order; unit to be fully commercialized by end of FY24.
- Balm unit is doing well with total orders for 9 Mn units that will be executed by mid FY24.
- Plan to launch 3 more products and have a full range by mid FY24

Manufacturing capabilities

All the Company's products are manufactured at Palghar, Maharashtra. Third party manufacturing of products are done at 16 different locations all over India. The Company initiated the construction of its

ANNEXURE TO DIRECTORS REPORT

specialized F&D Lab at Palghar in FY2021. This lab was set up to cater to various new product developments and support the launch of 1000+ registrations which are in pipeline over the next 4 years. The Company also commissioned a state-of-the-art Warehousing Facility totalling to 60,000 Sq. ft. capacity.

During the year, Fredun set-up a dedicated area for manufacturing the Super Speciality Bone Graft product - FREOSI® Granules. The Company has leveraged its leadership position in manufacturing MCHC and entered the Bone Graft space. Fredun plans to stand out in the market by using the Xenograft technology, that would have a higher collagen content than the global leader in this space. Products from Xenograft technology are superior to the currently used synthetic products available in the market.

Outlook

Apart from trade generics, all the four branded segments are just starting to pick up pace. On the back of this, Fredun aims to continue to grow at 25-30% CAGR between FY24 to FY26, increase the revenue contribution from non-pharma segments from ~3% in FY23 to 15-20% by FY26 and alongside achieve an EBITDA margin of 12-15%.

Opportunities and Threats

Opportunities

Complex generics

Complex generics have enormous potential to spur market expansion in the future. Compared to basic generics, they have more complex production procedures, less competition, and higher margins. Only 20% of the US generics market as a whole are simple generics, measured in terms of value. The USFDA has launched new measures to help the generic pharmaceutical industry find the best approach for creating complicated medications and to better facilitate the availability of complex generic medical products.

New Chemical Entities (NCEs) and New Biological Entities (NBEs)

Leading multinational pharma companies are increasingly focussed on these products. Indian businesses are starting to develop novel drugs internally with the goal of releasing new blockbusters and are now directly competing with global innovators. New drug research is being conducted by some of the major Indian pharmaceutical companies, clinical research organizations (CROs), and contract development and manufacturing organizations (CDMOs).

Clinical Research Organizations

Big pharma and smaller biotechs will both be driving forces behind the demand for CRO services. Other reasons for corporations to outsource R&D besides cheaper prices include rising R&D costs and declining efficiency, a growing emphasis on novel research in specialized therapy areas, an increase in trial complexity, and the requirement for specialized expertise. India has made a name for itself as one of the top locations for outsourcing research over the years. This has been made possible by the nation's superior process chemistry capabilities and alluring cost-value ratio. Another benefit is the country's huge and genetically diverse population, which makes it the perfect place for novel medication trials and cost-effective clinical research operations. Despite major R&D advancements, this is still a vast untapped market for India.

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Threats/Challenges

Inadequate training and motivation for conducting research

The lack of talent across the whole research and development life cycle in the fields of pharmaceuticals, biotechnology, and life sciences is one of the main obstacles impeding the progress of R&D in India. There are a number of reasons causing this shortfall. The fact that academic and educational institutions still prioritize rote learning over creative, practical thinking and the general dearth of funding for biological research is among the most significant causes.

Complex regulatory approval process and Intellectual Property Regime (IPR) A nation's innovation ecosystem needs excellent people in addition to effective policy and regulatory frameworks. Entrepreneurs are encouraged to invest time, money, and resources in lengthy and risky drug research projects by a strong patent protection. Companies can recoup investments and finance upcoming research thanks to patents and exclusive rights. Simplicity and agility in regulatory processes boost the likelihood of success while also making doing business easier. India has made tremendous progress toward creating a solid framework of regulations and policies, but there are still certain gaps that need to be taken care of.

Risk Management

Fredun is dedicated to conducting business in accordance with all relevant statutory laws, official announcements, and regulations. Given the intricate and tightly regulated structure of the global pharmaceutical industry, in which Fredun participates, the Company may be susceptible to risks typical of the sector, such as concerns about the quality and safety of the company's products, disputes over intellectual property, and regulatory delays, among other things. If not appropriately handled, these risks could result in fines, product recalls, brand/reputation loss, and income loss. In this situation, it is crucial to react to risk using a comprehensive framework for risk mitigation that may support the Company in keeping a consistent level of product quality, patient and staff safety, and long-term sustainability. The risks that are specific to the pharmaceutical industry are addressed, as are any others that might have an influence on our strategic objectives.

Review of Financial Performance

Particulars (In Rs Crores)	FY23	FY22	YoY (%)
Revenue from Operations	276.5	226.1	22%
EBITDA	29.6	15.4	92%
EBITDA Margin %	10.7%	6.8%	
PAT	10.8	6.3	70%
PAT Margin %	3.9%	2.8%	

- Revenue from operations was up 22% YoY driven by strong demand, realization of large orders and new launches.
- EBITDA margin improved significantly due to economies of scale.

Human Resources

The Company considers people to be its most valuable resource and has been working strategically to recruit, develop and utilize people. The Company has been actively pursuing policies for the strategic and well-planned recruitment, development and utilization of human resources who can understand and practice the Company's Management Principles and Activity Guidelines to contribute broadly to society and continue creating new values. Effective recruitment, development and the utilization of globally competitive human resources are the most important issues for your Company to survive the current

ANNEXURE TO DIRECTORS REPORT

ever-changing business environment and achieve sustainable growth. Our concern is to ensure that each of our employees exercise their full potential in line with the business strategy of their respective departments. The number of employees as of March 31, 2023, stood at 260.

Internal Control Systems and Adequacy

The Company maintains effective and adequate Internal Control Systems as per its size and complexity. Fredun believes that these systems provide a reasonable assurance that transactions are executed with management authorisation, among other things. It also ensures that they are recorded in all material respect to permit preparation of financial statements in conformity with established accounting principles along with the assets of the Company being adequately safeguarded against significant misuse or loss. An independent Internal Audit function is an important element of Company's Internal Control System. This is supplemented through an extensive internal audit programme and periodic review by the management and the Audit Committee of Board.

Cautionary Statement

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information, or events.

ANNEXURE TO DIRECTORS REPORT

ANNEXURE VI

The details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year 2022-23;

Name of	Designation	Remuneration of Director /KMP for the F.Y. 2022-23	Ratio of remuneration of each Director/ KMP to medianre muneration of employees
Mrs. ((Dr.) Daulat Medhora	Chairman & Jt. Managing Director	12,00,000	5.80
Mr. Fredun Nariman Medhora	Managing Director & Chief Financial Officer	54,00,000	26.12

b) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2022-23 compared to 2021-2022:

Name	Remuneration for the Year ended 2021-2023	Remuneration for the Year ended 2021-2022	% Change
Mrs. ((Dr.) Daulat Medhora	12,00,000	12,00,000	-
Mr. Fredun Nariman Medhora	54,00,000	24,00,000	38.46
Mrs. Jinkal Soni (Ms. Jinkal Shah)	2,54,400	41,900	-

c) The median remuneration of the employees has decreased to 14.43% in 2022-23 as compared to 2021-22.

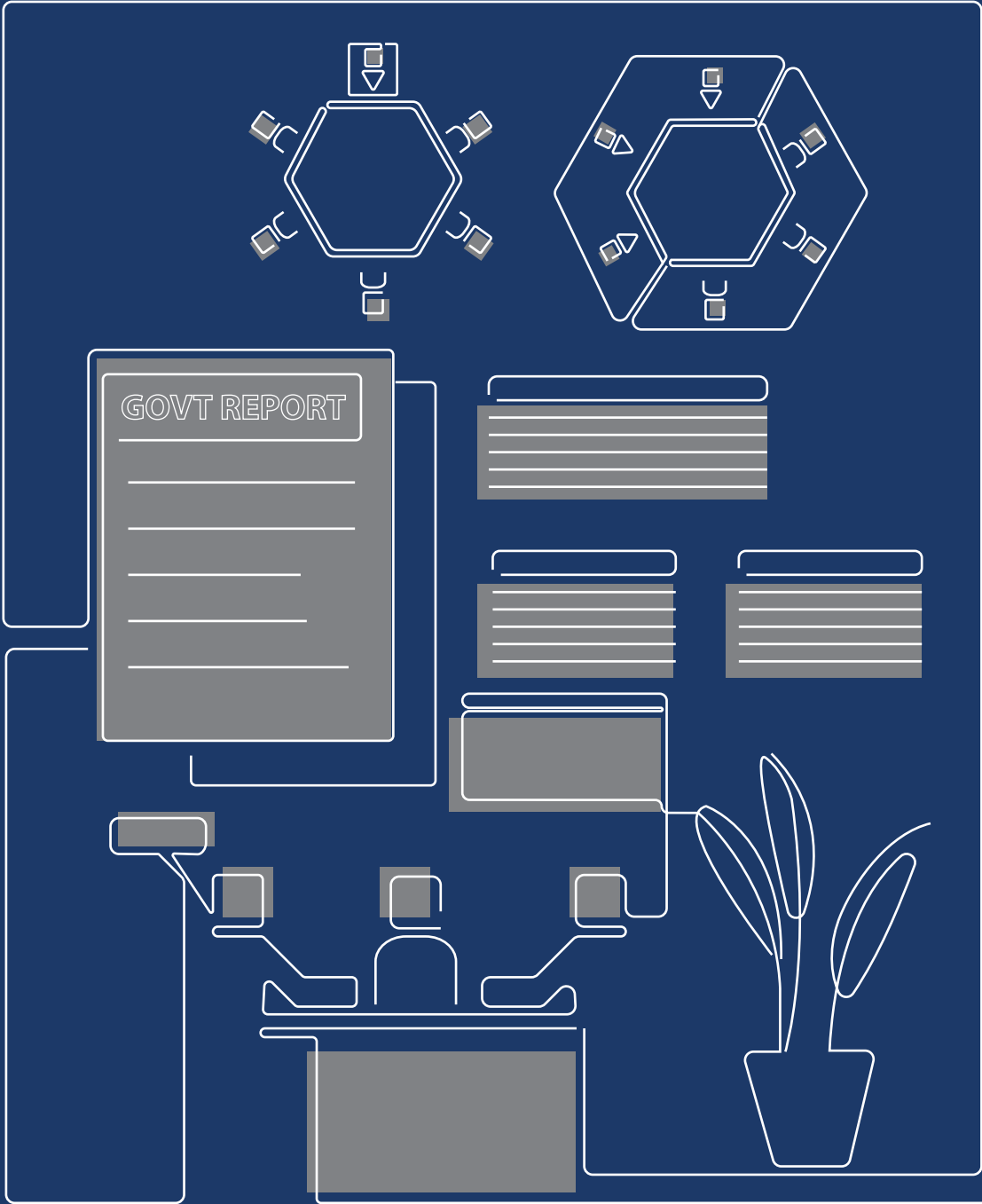
d) The Independent – Non-Executive Directors of the Company are only getting sitting fees.

e) There were 260 employees on the rolls of the Company as on March 31, 2023;

f) 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- Not Applicable.

g) Key parameter for any variable component of remuneration availed by the director – Not Applicable as no variable remuneration is paid.

We hereby affirm that remuneration paid to Executive Directors is as per the Nomination and Remuneration Policy of the Company approved by the Board of Directors. The said policy is available on the Website of the Company at <https://www.fredungroup.com/investor-relation>





**CORPORATE GOVERNANCE
REPORT**

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) and Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Corporate Governance Report, as applicable for the year ended March 31, 2023 is set out below for the information of shareholders, investors and other stakeholders of **FREDUN PHARMACEUTICALS LIMITED** ("Company").

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is the cornerstone for fostering a state-of-the-art and future ready organisation guaranteeing extra-ordinary and sustainable growth.

Your Company's corporate governance is a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times.

Your Company considers its stakeholders as partners in success and remains committed to delivering value to stakeholders. Your Company believes that a sound corporate governance mechanism is critical to retain and enhance stakeholders' trust. It is committed to exercise overall responsibilities rigorously and diligently throughout the organization, managing its affairs in a manner consistent with corporate governance requirements and expectations.

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders viz., the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent unit business dealings by disclosure of all relevant information in an easily understood manner and by being fair to all stakeholders, by ensuring that the Company's activities are managed by a professionally competent and independent Board of Directors.

The Company's Governance framework is based on the following principles:

- Optimum combination of Executive Non-Executive Directors and size of the Board;
- Timely disclosure of material information to the stakeholders;
- Availability of information to the Members of Board Committees to enable them to discharge their fiduciary duties;
- Ethical business conduct.

The Company had listed its Equity Shares on March 21, 2016 and executed Listing Agreement with the BSE Limited.

In compliance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time the Company submits the Corporate Governance Report for the year ended March 31, 2023.

CORPORATE GOVERNANCE REPORT

A. BOARD OF DIRECTORS:

The Board of Directors have the responsibility of ensuring effective management, long term business strategy, general affairs, performance and monitoring the effectiveness of the Company's corporate governance practices. The Company believes in a well-balanced and diverse Board which enriches discussions and enables effective decision making. The Board has an optimal mix of Executive and Non-Executive Directors comprising Independent Directors and the same also is in line with the applicable provisions of Companies Act, 2013 and Listing Regulations. The Board of the Company is diverse in terms of qualification, competence, skills and expertise which enables it to ensure long term value creation for all the stakeholders.

i) Composition of the Board:

The Board comprises of six Directors of which two are Executive Directors, one is Non-Executive Director and three are Non-Executive Independent Directors. The Board Composition commensurate with the size of the Company, complexity and nature of various underlying businesses activities.

Board of Directors strictly follows the Company's Code of Conduct. The Board periodically reviews compliance reports of all laws applicable to the Company as well as take steps to rectify instances of any non-compliances.

ii) Attendance of Each Director at the Board Meeting and Last Annual General Meeting:

Name	Category	Attendance Particulars		
		Number Of Board Meetings		Last AGM held on September 30, 2022
		Held	Attended	
Dr.(Mrs.)Daulat Medhora	Executive Director	11	11	Yes
Mr. Nariman Medhora	Non-Executive Non-Independent Director	11	11	Yes
Mr. Fredun Medhora	Executive Director	11	11	Yes
Dr. Aspi Raimalwala	Non-Executive Independent Director	11	11	Yes
Dr. Rohinton Kanga	Non-Executive Independent Director	11	11	Yes
* Dr. Chandrakant Shah	Non-Executive Independent Director	11	11	Yes

* Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

CORPORATE GOVERNANCE REPORT

iii) Number of other Boards or Board Committees in which he/she is a Member or Chairperson:

Name of Members	Designation	No. of Directorships and Committee Chairmanship/ Membership (including this Company)			
		Directorship	Directorship in listed Company	Committee Chairmanship	Committee Membership
Dr.(Mrs.) Daulat Medhora	Executive Director	NIL	NIL	0	1
Mr. Nariman Medhora	Non-Executive Non-Independent Director	NIL	NIL	0	0
Mr. Fredun Medhora Medhora	Executive Director	NIL	NIL	0	1
Dr. Aspi Raimalwala	Non-Executive Independent Director	NIL	NIL	0	1
Dr. Rohinton Kanga	Non-Executive Independent Director	NIL	NIL	0	1
Dr. Chandrakant Shah	Non-Executive Independent Director	NIL	NIL	2	0

* Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

iv) Meetings of the Board:

During Financial Year ("F.Y.") 2022-23, the Board met 11 (Eleven) times on the following dates:

Dates on which Board Meetings were Held	Total Strength of the Board	No. of Directors Present
April 08, 2022	6	6
May 16, 2022	6	6
June 10, 2022	6	6
August 01, 2022	6	6
August 12, 2022	6	6
August 27, 2022	6	6
October 15, 2022	6	6
November 10, 2022	6	6
December 13, 2022	6	6
December 27, 2022	6	6
January 27, 2023	6	6

CORPORATE GOVERNANCE REPORT

The maximum time gap between any two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the Meetings. The notice and detailed agenda along with the relevant notes and other material information were sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board.

v) Disclosure of Relationship between Directors Inter-se:

Name	Relation with Company	Inter-se Relation
Dr. (Mrs.) Daulat Medhora	Chairperson and Jt. Managing Director	Wife of Mr. Nariman Medhora & Mother of Mr. Fredun Medhora
Mr. Nariman Medhora	Director	Husband of Dr. (Mrs.) Daulat Medhora & Father of Mr. Fredun Medhora
Mr. Fredun Medhora	Managing Director and Chief Financial Officer	Son of Mr. Nariman Medhora & Dr. (Mrs.) Daulat Medhora

vi) Disclosure of Shareholding by Non-Executive Directors: (as on 31 st March, 2023)

Sr. No.	Name of Director	Number of shares held
1	Dr. Aspi Raimalwala	8061
2	Dr. Chandrakant Shah	9990
3	Dr. Rohinton Kanga	500
4	Mr. Nariman Medhora	7,19,515

* Shares are held by Dr. Chandrakant Shah jointly with his relative.

vii) Familiarization Program imparted to Independent Directors:

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013, the Board has framed a Familiarization Program for the Independent Directors of the Company in order to update them with the nature of industry in which the Company operates and business model of the Company in order to familiarize them with their roles, rights, responsibilities, etc. The details of the abovementioned Familiarization Program is uploaded on the website of the Company www.fredungroup.com

viii) Chart or matrix setting out skill/ expertise / competence of the Directors:

A matrix setting out the core skills/ expertise/ competence as required in the context of the business or sector for the Company to function effectively in comparison with core skills/ expertise/ competence actually available with the Board as on March 31, 2023 are stated hereunder:

CORPORATE GOVERNANCE REPORT

Sr. No.	List of core skills/ expertise/ competence	Availability of the core skills expertise/ competence as on March 31, 2023
1	Knowledge of the Pharmaceuticals Industry	✓
2	Sales and Marketing Functions	✓
3	Business Strategy Formation	✓
4	Planning & Sourcing	✓
5	Strategy/M&A/Restructuring	✓
6	Finance, Accounting and Costing	✓
7	Legal and Regulatory Compliance	✓
8	Corporate Governance	✓
9	Human Resource Management	✓
10	Risk Mitigation Planning and Management	✓

Board Competency Matrix:										
Board of Directors	1	2	3	4	5	6	7	8	9	10
Dr. (Mrs.) Daulat Medhora										✓
Mr. Nariman Medhora									✓	✓
Mr. Fredun Medhora										✓
Dr. Aspi Raimalwala									✓	
Dr. Rohinton Kanga									✓	
Dr. Chandrakant Shah									✓	

ix. Confirmation regarding the independence of the Directors of the Company In the opinion of the Board of Directors of the Company and on the basis of the declarations furnished by the independent Directors, all the Independent Directors of the Company fulfill the criteria and conditions as specified under Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013.

x. Board Meeting Procedure:

In order to ensure maximum presence of all Directors in the Board Meeting, dates of the Board Meetings are fixed in advance after consultation with individual Directors and considering their convenience. The agenda papers along with relevant explanatory notes and supporting documents were circulated within prescribed time to all Directors.

Apart from any specific matter, the Board periodically reviews routine business items which includes approval of financial results along with Auditors review report, operational performance of the Company, minutes of committee meetings, quarterly corporate governance report, statement of investor complaints, shareholding pattern, compliance report on all laws applicable to the Company, annual financial statements, annual budget, capital expenditure and other matters placed before the Board pursuant to Part A of Schedule II of Listing Regulations.

All departments of the Company schedule their work plans in advance, particularly with regard to matters requiring consideration at the Board/Committee meetings. All such matters are communicated to the Chairman in advance so that the same could be included in the Agenda for the Board/Committee meetings.

CORPORATE GOVERNANCE REPORT

xi) Code of conduct:

i) The Board of Directors adopted the Code of Conduct for Board Members and senior management personnel. The said code was communicated to the Directors and members of the senior management and they affirmed their compliance with the said Code. The Code adopted is posted on the Company's website www.fredungroup.com

ii) Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted Code of practices and procedures for fair disclosure of unpublished price sensitive information and Code of Conduct in order to monitor and report Insider Trading.

iii) All Directors and the designated employees have confirmed compliance with the Code.

iv) A certificate from Mr. Fredun Medhora, Managing Director of the Company under Regulation 17 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended March 31, 2023 was placed before the Board of Directors of the Company in their meeting held on May 24, 2023 and is annexed to this Report.

B. INDEPENDENT DIRECTORS:

Dr. Chandrakant Shah, Dr. Aspi Raimalwala and Dr. Rohiton Kanga were the Independent Directors on the Board of Directors of your Company as on March 31, 2023. The Independent Directors continue to serve on the Board and will hold office pursuant to the provisions of Section 149(10) of the Companies Act, 2013. However Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

i) Role of Independent Directors:

The Independent Directors play an important role in deliberations at the Board and Committee Meetings and bring to the Company their expertise in the field of finance, management and public policy. The Independent Directors satisfy the criteria of independence as defined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is applicable w.e.f. December 01, 2015 and the Companies Act, 2013. They perform the duties as stipulated in the Companies Act, 2013.

ii) Separate Meeting of Independent Directors:

During the year 2022-23, as per the requirement of Schedule IV of the Companies Act, 2013 and SEBI Listing Regulations, 2015; a separate meeting of Independent Directors was held on May 16, 2022 without the presence of the Non – Independent Directors and the Members of the Management. The Meeting was conducted in an informal manner to enable the Independent Directors to discuss and review the performance of the Chairperson of the Company and for assessing the quality, quantity and timeliness of flow of information between the Company's Management and the Board.

iii) Certificate on Non-disqualification of Directors:

Ms. Kala Agarwal, Practising Company Secretary have certified that for the Financial Year ended on March 31, 2023, none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs (MCA) or any such authority. A certificate issued by Ms. Kala Agarwal, to that effect is attached as a part of this Report.

CORPORATE GOVERNANCE REPORT

C. COMMITTEES OF BOARD:

The Company has 3 (Three) Board Level Committees to focus on critical functions of the Company and also for smooth and efficient business operations. viz., Audit Committee, Nomination Remuneration Committee and Stakeholders' Relationship Committee. The Committees meet at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation. Minutes of the proceedings of each committee meeting are circulated to the members of that Committee for their comments and thereafter, confirmed and signed by the Chairperson of the respective Committee. The Board also takes note of minutes of the meetings of the Committees duly approved by their respective Chairman and the material recommendations / decisions of the Committees are placed before the Board for approval / information. The Company Secretary acts as the Secretary to these Committees. Details on role and composition of these Committees, including number of Meetings held during FY 2022-23 and the related attendance are provided below:

i) Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013; read with Regulation 18 of SEBI Listing Regulations, 2015. The Audit Committee invites such of the Executives, as it considers appropriate, representatives of the Statutory Auditors to attend the meeting.

During FY 2022-23, the Audit Committee met 4 times on May 16, 2022; August 12, 2022; November 10, 2022 and January 27, 2023. The requisite quorum was present at all the meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on September 30, 2022.

Sr. No.	Name of Director	Position	Category	No. of Audit Committee Meetings attended
1.	*Dr. Chandrakant Shah	Chairman	Non-Executive Independent Director	4 out of 4
2.	Dr. Rohinton Kanga	Member	Non-Executive Independent Director	4 out of 4
3.	Mr. Fredun Medhora	Member	Managing Director	4 out of 4

* Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia, performs the following functions:

- Overview of the Company's financial reporting process and the disclosure of its Financial Information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information are disclosed;
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services;

CORPORATE GOVERNANCE REPORT

- Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including the quarterly/half yearly financial information.
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on.
- Any changes in accounting policies and practices.
- Major accounting entries based on exercise of judgment by management.
- Qualifications in Draft Audit Report.
- Significant adjustments arising out of audit.
- The going concern assumption.
- Compliance with Accounting Standards.
- Compliance with Stock Exchange and legal requirements concerning Financial Statements.
- Any Related Party Transactions as per Accounting Standard 18.
- Reviewing the Company's financial and Risk Management Policies.
- Disclosure of Contingent Liabilities.
- Reviewing with the management External and Internal auditors, and the adequacy of Internal Control Systems.
- Looking into the reasons for substantial defaults in payments to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and creditors.

ii) Nomination and Remuneration Committee ("NRC"):

During Financial Year 2022-23, the NRC met once on May 16, 2022; The requisite quorum was present at all the meetings. The Chairman of the NRC was present at the last Annual General Meeting of the Company held on September 30, 2022.

Sr. No.	Name of Director	Position	Category	No. of NRC Meetings attended
1.	Dr. Rohinton Kanga	Chairman	Non-Executive Independent Director	2 out of 2
2.	Dr. Aspi Raimalwala	Member	Non-Executive Independent Director	2 out of 2
3.	*Dr. Chandrakant Shah	Member	Non-Executive Independent Director	2 out of 2

* Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

The NRC of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013; read with Regulation 19 of the SEBI Listing Regulations, 2015. The terms of reference of the NRC includes various matters in conformity with the statutory guidelines including the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director;
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;
- The remuneration / compensation / commission etc. to Directors will be determined by the Committee and shall be recommended to the Board for approval;
- Recommend to the Board a policy for selection and appointment of Directors, Key Managerial Personnel and other Senior Management positions;

CORPORATE GOVERNANCE REPORT

- Formulate and review criteria for evaluation of performance of Independent Directors;
- Succession planning for replacing Key Executives and overseeing;
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend / approve and / or enforced by any statutory notification, amendment or modification, as may be applicable.

Performance Evaluation of Independent Directors.

The Performance Evaluation criteria for Independent Directors are determined by the NRC. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgment.

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Company has formulated a Policy on the appointment of person as Director and evaluation of Directors & Senior Management Personnel (SMP). The extract of the Policy covering remuneration for the Directors, Key Managerial Personnel (KMP) and other employees is reproduced below:

i. The terms of employment and remuneration of MD, WTD, KMPs and SMPs shall be competitive in order to ensure that the Company can attract and retain competent talent.

ii. The remuneration policy shall ensure that:

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs and SMPs of the quality to run the Company successfully.
- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- c. Remuneration to Directors, KMPs and SMPs involves a balance between fixed and variable pay reflecting short and long term performance and goals set by the Company.

iii. While determining the remuneration and incentives for the MD, WTD and KMPs, the following shall be considered:

- a. Pay and employment conditions with peers/ elsewhere in the competitive market.
- b. Benchmarking with industry practices.
- c. Performance of the individual.
- d. The Company performance.

iv. For the benchmarking with industry practice, criteria of size, complexity, data transparency and geographical area shall also be given due consideration.

v. The pay structures shall be appropriately aligned across levels in the Company. The detailed policy on the appointment of person as Director and evaluation of Directors Senior Management Personnel is placed on the website of the Company at www.fredungroup.com

Remuneration of Directors:

The Non-Executive Directors of the Company were paid sitting fees for attending each Meeting of the Board of Directors, Audit Committee and Nomination Remuneration Committee thereof and Meeting of Independent Directors during the Financial Year 2022-23.

CORPORATE GOVERNANCE REPORT

The Non-Executive Directors do not have any other pecuniary relationship with the Company apart from receiving dividend for the Shares held by them, if any, and sitting fees and reimbursement of expenses incurred for attending Meetings of the Board and Committees thereof. The Company has not granted any stock option to any of its Non-Executive Directors.

The details of the sitting fees paid during the Financial Year 2022-23 are given below:

Sr. No.	Name of the Director	Designation as on March 31, 2023	Sitting Fees
1	Dr. Rohinton Kanga	Independent Director	Rs.48,000/-
2	Dr. Aspi Navroze Raimalwala	Independent Director	Rs.48,000/-
3	*Dr. Chandrakant Shah	Independent Director	Rs.48,000/-

* Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

Remuneration paid to the Executive Directors of the Company:

The remuneration of the Executive Directors is determined on the recommendation of the Nomination Remuneration Committee and approved by the Board of Directors and Shareholders. Any change in remuneration is also effected in the same manner and/or in line with the applicable statutory approvals. The remuneration package of the Executive Directors comprises of Salary and Allowances, contribution to Provident Fund and Superannuation Fund and Commission. No Bonus or Pension is paid and no Stock Options were granted to any of the Executive Directors. The details of Remuneration for Financial Year 2022-23 are summarized below:

Name of the	Designation	Salary & Allowances	Perquisites	Company's contribution to Provident to Provident Fund & Superannuation Fund
Mr. Fredun Nariman Medhora	Managing Director and Chief Financial Officer	54,00,000	-	-
Dr. (Mrs.) Daulat Nariman Medhora	Chairman and Jt. Managing Director	12,00,000	-	-

The tenure of office of the Executive Directors of the Company is 5 years from their respective dates of appointment. The notice period is as per the Company's policy. There is no provision for payment of severance fees. The Company does not have a Scheme to grant stock options.

iii) Stakeholders Relationship Committee ("SRC"):

The SRC of the Company is constituted in line with the provisions of Section 178(2) of the Companies Act, 2013; read with Regulation 20 of the SEBI Listing Regulations, 2015.

The terms of reference of the SRC, inter-alia, includes the following:

- The Shareholders Relationship Committee of the Board is empowered to oversee the redressal of Investors Complaint(s), Share transfers, Non-Receipt of Annual Report, Dividend payment, Issue of Duplicate Certificate, Transmission (with and without legal representation) of Shares and other miscellaneous complaints;
- Reviewing of Investors Complaints and take necessary steps for redressal thereof .
- To perform all functions relating to the interest of the stakeholders of the Company as may be required by the provisions of the Companies Act., 2013 and the rules made thereunder.

During Financial Year 2022-23, the SRC met on May 16, 2022. The requisite quorum was present at the meeting.

CORPORATE GOVERNANCE REPORT

Sr. No.	Name of Director	Position	Category	No. of SRC Meetings attended
1.	*Dr. Chandrakant Shah	Chairman	Non-Executive Independent Director	1 out of 1
2.	Dr. Rohinton Kanga	Member	Non-Executive Independent Director	1 out of 1
3.	Dr. (Mrs.) DaulatMedhora	Member	Jt. Managing Director	1 out of 1

*Dr. Chandrakant Shah has resigned from the position of Non-Executive Independent Director with effect from July 19, 2023.

Contact details of the Company Secretary and Compliance Officer

Mrs. Jinkal Soni (Ms. Jinkal Shah)	Address:	E-mail:
Company Secretary and Compliance Officer	11 th Floor, Tower A, Urmi Estate 95, Ganpatrao Kadam Marg, Lower Parel (W) Mumbai -400013	cs@fredungroup.com

The Registered Office of the Company has shifted from 26, Manoj Industrial Premises, G.D. Ambekar Marg, Wadala, Mumbai - 400 031 to 11 th Floor, Tower A, Urmi Estate 95, Ganpatrao Kadam Marg, Lower Parel (W) Mumbai -400013 with effect from December 13, 2022.

All grievances received from the shareholders of the Company are being redressed expeditiously and satisfactorily at utmost priority, by the Secretarial Department and the RTA of the Company.

Details of Shareholders' Complaints received, solved and pending during FY 2022-23

Number of complaints received so far	NIL
Number of complaints solved to the satisfaction of Shareholders	NIL
Number of pending complaints	NIL

Sr. No.	Type of Meeting	Date & Time	Location	Details of Special Resolution passed
1.	35th Annual General Meeting	Friday, September 30, 2022 at 09.00 A.M.	26, Manoj Industrial Premises, G.D. Ambekar Marg, Wadala, Mumbai - 400031 (Through Video Conferencing mode- Deemed location)	1. To consider and approve continuation of Mr. Nariman Medhora as Director upon his attainment of 75 years of age 2. To consider and approve continuation of Dr. Chandrakant Shah as Director upon his attainment of 75 years of age

CORPORATE GOVERNANCE REPORT

Sr. No.	Type of Meeting	Date & Time	Location	Details of Special Resolution passed
2.	34th Annual General Meeting	Monday, September 27, 2021 at 11.30 A.M	26, Manoj Industrial Premises, G.D. Ambekar Marg, Wadala, Mumbai - 400031 (Through Video Conferencing mode-Deemed location)	1. To approve increase in remuneration of Mr. Fredun Medhora (DIN: 01745348) Managing Director & CFO of the Company
3.	33rd Annual General Meeting	Monday, September 28, 2020 at 11:00 A.M.	26, Manoj Industrial Premises, G.D. Ambekar Marg, Wadala, Mumbai - 400031 (Through Video Conferencing mode-Deemed location)	1. Appointment of Dr. Aspi Raimalwala (DIN:02454860) as Independent Director 2. Appointment of Dr. Chandrakant Shah (DIN:02843653) as Independent Director 3. Appointment of Dr. Rohinton Kanga (DIN:07178190) as Independent Director 4. Reappointment of Mr. Fredun Medhora (DIN:01745348) as the Managing Director of the Company 5. Reappointment of Dr. (Mrs.) Daulat Medhora (DIN:01745277) as the Whole Time Director designated as Joint Managing Director

CORPORATE GOVERNANCE REPORT

F. POSTAL BALLOT

During the year under review, no postal ballot was conducted.

G. MEANS OF COMMUNICATION

<p>Website</p>	<p>The Company's website www.fredungroup.com contains a separate dedicated section named 'Investor Relations' where shareholders' information is available. The Annual Report for the year and Annual Report for the past years are also available on the website in a user friendly and downloadable form. Apart from this, official news releases, detailed presentations made to media, analysts etc., and the transcript of the conference calls are also displayed on the Company's website.</p>
<p>Financial Results</p>	<p>The annual, half-yearly and quarterly results are regularly posted by the Company on its website www.fredungroup.com. These are also submitted to the Stock Exchange on which the securities of the Company are listed in accordance with the requirements of the Listing Regulations and published in National English newspaper as well as newspaper published in vernacular language of the region where the Registered Office of the Company is situated.</p>
<p>Annual Report:</p>	<p>Annual Report containing inter alia Audited Annual Accounts, Board's Report, the Management Discussion and Analysis Report, Auditor's Report, and other important information is sent to the shareholders whose e-mail IDs are registered. However pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and MCA General Circular No. 20/2020 dated May 5, 2020 of Ministry of Corporate Affairs, due to COVID, no physical copies of the Annual Report for FY 2021-22 were sent. Pursuant to SEBI Circular dated May 13, 2022 and MCA Circulars dated May 5, 2022, the Annual Report for FY 2021-22 is being sent electronically. Hard copies shall be sent to those shareholders who request for the same</p>
<p>Corporate Filing:</p>	<p>Announcements, Quarterly Results, Shareholding Pattern etc. of the Company are regularly filed by the Company with the Stock Exchange and are available on the website of BSE Ltd. www.bseindia.com and also on the website of the Company – www.fredungroup.com</p>
<p>All material information including declaration of Financial Results; Press Releases, Presentations made to Institutional Analyst or Investors etc.</p>	<p>The Company has promptly reported to the Stock Exchange where Shares of the Company are listed, viz. BSE Limited ("BSE"). Such information is also simultaneously displayed on the Company's website at www.fredungroup.com</p>

CORPORATE GOVERNANCE REPORT

Certain rights that a shareholder in the Company enjoys:

- To transfer the shares.
- To receive the Share Certificates upon transfer within the stipulated period prescribed in the Act.
- To receive Notice of General Meetings, Annual Report, the Balance Sheet and Profit and Loss Account and the Auditor's Report.
- To appoint proxy to attend and vote at the General Meetings.
- To attend and speak in person, at General Meetings.
- To vote at the General Meeting on show of hands wherein every shareholder has one vote. In case of vote on poll, the number of votes of a shareholder is proportionate to the number of Equity Shares held by him.
- To demand poll along with other Shareholder(s) who collectively holding shares on which an aggregate sum of not less than five lakh rupees or are not less than 1/10th of the total voting power in respect of any resolution.
- To requisite an Extraordinary General Meeting of the Company by shareholders who collectively hold not less than 1/10th of the total paid-up capital of the Company.
- To move amendments to resolutions proposed at Meetings.
- To receive Dividend and other corporate benefits like Rights, Bonus Shares etc. as and when declared / announced.
- To inspect various Registers of the Company.
- To inspect the Minute Books of General Meetings & to receive copies thereof after complying with the procedure prescribed under the Companies Act, 2013.
- To appoint or remove Director(s) and Auditor(s) and thus participate in the management through them.
- To proceed against the Company by way of Civil or Criminal Proceedings.
- To apply for the Winding-up of the Company.
- To receive the residual proceeds upon Winding-up of the Company.

H. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting ("AGM") for the Financial Year 2022-23:

Day and Date	Friday, September 29, 2023
Time	09:00 A.M.
Mode	Video Conference/Other Audio-Visual Means
Deemed Venue	11 th Floor, Tower A, Urmi Estate 95, Ganpatrao Kadam Marg, Lower Parel (W) Mumbai-400013
Financial Year	The Financial Year of the Company is April 01, 2022 to March 31, 2023.

CORPORATE GOVERNANCE REPORT

Financial Year	The Financial Year of the Company is April 01, 2022 to March 31, 2023.
Board Meeting for consideration of accounts	May 24, 2023
Dividend Rate	7% on the Face value of shares
Book Closure Dates	Saturday, September 23, 2023 to Tuesday, September 29, 2023 (both dates inclusive)

ii) Stock Exchanges where the securities of the Company are listed:

Name of the Stock Exchange	Scrip Code	Listing date
BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001.	539730	March 21, 2016

Annual Listing Fees for the FY 2022-2023 has been paid to BSE Limited.

iii) Dividend details:

The Board has recommended Dividend at the rate of 7% on the Equity Shares of the Company at the Face Value of Rs.10/- each; for the Financial Year 2022-2023 and is put for shareholders' approval.

Further, your Company had declared dividend of 7% for the Financial Year 2021-22, 7% for the Financial Year 2020-21 and 6.6% for the Financial Year 2019-20 on the Face value of Rs. 10/- each on the shares of the Company in the 35 th Annual General Meeting held on September 30, 2022, 34 th Annual General Meeting held on September 27, 2021 and 33rd Annual General Meeting held on September 28, 2020 respectively.

As per the provisions of the Companies Act, 2013 and rules made there under your Company had paid the dividend as per the records of the shareholders available with the Company by / on or before the specified date. The amount lying in the Dividend account as unclaimed / unpaid dividend was transferred to Unpaid Dividend Account of the Company and the list of the shareholders (whose dividend is pending) with all the information there on is made available on the website of the Company at www.fredungroup.com.

CORPORATE GOVERNANCE REPORT

iv) Market price data - monthly high - low of the closing price on the BSE during the period from April 2022 to March 2023 is given below:

Month	High Price	Low Price
April 2022	1319.9	901
May 2022	1195.95	831
June 2022	944.9	675
July 2022	1104.9	773.05
August 2022	1252	850
September 2022	1257	987.4
October 2022	1257	1016.15
November 2022	1385.9	1155.55
December 2022	1428	1086.6
January 2023	1160	972
February 2023	1064.9	836
March 2023	981	740

v) Registrar to an Issue and Share Transfer Agents:

For acknowledgement of transfer deeds and any other documents or for any Grievances / Complaints, kindly contact at the following address:

Purva Sharegistry (India) Pvt. Ltd.

Unit No 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg,
Opp Kasturba Hospital Lane,
Lower Parel (E). Mumbai- 400011.

Tel No.: 022 - 23016761 / 8261

E-mail: busicomp@vsnl.com

Website: www.purvashare.com

vi) Share Transfer System:

The Company Shares which are in Demat form are transferable through the depository system. Shares in physical form are processed by the Registrars and Share Transfer Agents, Purva Sharegistry (India) Pvt. Ltd., and approved by the Stakeholders Relationship Committee of the Company or authorized officials of the Company. The Share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by Purva Sharegistry (India) Pvt. Limited.

Further, as per the SEBI revised circular on the said matter Physical Shares cannot be transferred after March 31, 2021 except in the case of Transmission. Thus, each and every shareholder holding shares in Physical form are requested to Dematerialize there shares in order to trade in the securities.

CORPORATE GOVERNANCE REPORT

vii. Details of shareholding as on March 31, 2023

I Distribution of Shareholding

Shareholding of Nominal Value	No. of Shareholders	% of Total no. Shareholders	Amount (in Rs.)	Total Capital
1 – 5000	3994	88.34%	3040290	6.70
5001 – 10000	240	5.30%	1828720	4.03
10001 – 20000	122	2.69%	1778970	3.92
20001 – 30000	46	1.01%	1164740	2.56
30001 – 40000	28	0.61%	987270	2.17
40001 – 50000	23	0.51%	043730	2.30
50000 – 100000	27	0.59%	1871090	4.13
100001 and above	41	0.91%	33607910	74.15
Total		100%		100%

II Shareholding Pattern as on March 31, 2023

Category of Shareholders	Number of Shares	Percentage Holding
Promoters and Promoter Group	22,72,745	43.07%
Bodies Corporate	36,806	0.81%
Limited Liability Partnership (LLP)	1,052	0.02%
Banks and Financial Institutions	75,000	1.65%
NRI (Non Repat)	35,483	0.78%
NRI (Repat)	86,215	1.90%
Foreign Institutional Investor	NIL	NIL
Hindu Undivided Family	67,666	1.49%
Others – Resident Individuals	19,52,034	43.07%
Others – Clearing Members	1,271	0.03%
Unclaimed or Suspense or Escrow Account	4,000	0.09%
Trust	NIL	NIL

CORPORATE GOVERNANCE REPORT

II Directors Share Holding

Sr. No.	Name of the Directors	Number of Shares held
1.	Dr. (Mrs.) Daulat Medhora	13,92,830
2.	Mr. Nariman Medhora	7,19,815
3.	Mr. Fredun Medhora	1,60,100
4.	Dr. Aspi Raimalwala	8061
5.	*Dr. Chandrakant Shah	9990
6.	Dr. Rohinton Kanga	500
	Total	22,91,296

* Shares are held by Dr. Chandrakant Shah jointly with his relative

viii) Dematerialization of Shares:

As on March 31, 2023; 44,09,702 Shares (97.67%) of the total Equity Share Capital of the Company are held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

j) Outstanding GDRS / ADRS / Warrants / Convertible Instruments as on March 31, 2022:

The Company has not issued any GDRs / ADRs / warrants or any other convertible instrument(s).

k) Plant Location:

The Company has its manufacturing and Operating sites at Palghar 14, 15, 16 Zorabian Industrial Complex, Veoor, Palghar (East) - 401 404.

l) Address for Correspondence:

(Mrs. Jinkal Soni)

Ms. Jinkal Shah

Company Secretary and Compliance Officer

Tower A, Urmi Estate 95, 11th Floor, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai, 400013.

Tel. No. +91 22 4031 8111

Email id.: cs@fredungroup.com

Website: www.fredungroup.com

m) Corporate Identity Number (CIN):

The Company is registered with the Registrar of Companies Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24239MH1987PLC043662.

CORPORATE GOVERNANCE REPORT

I. SECRETARIAL AUDIT

Ms. Kala Agarwal, Practicing Company Secretary has conducted the Secretarial Audit of the Company for the Financial Year 2022-23 Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the rules made there under, Listing Agreements with the Stock Exchange, Listing Regulations, applicable SEBI Regulations and other Laws applicable to the Company. The Secretarial Audit Report forms part of this Report.

J. REQUEST TO SHAREHOLDERS

Shareholders are requested to follow the general procedure / steps as detailed hereunder thus enabling the Company to serve them efficiently and avoid any risks while dealing in the securities of the Company.

• Demat of Shares:

Shareholders are requested to convert their physical holding to demat / electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2022 can do so only after the shares are dematerialized, except for transmission (i.e., transfer of title of shares by way of inheritance / succession) transposition (i.e., re-arrangement / interchanging of the order of name of shareholders) cases.

• Registration of Electronic Clearing Service (ECS) mandate:

SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories for payment of Dividend through ECS to investors wherever ECS and bank details are available. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of / change in such bank details. Members who wish to change such bank account details are therefore requested to advise their DPs about such change, with complete details of bank account. ECS helps in quick remittance of Dividend without possible loss / delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the RTA or their respective DPs.

• Consolidation of multiple folios:

Shareholders, who have multiple folios in identical names, are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.

• Registration of Nominations:

Section 72 of the Act, 2013 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the Will, etc. It would therefore be in the best interest of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed nomination facility, are requested to avail the same by submitting the nomination in Form SH-13. This form will be made available on request. Investors holding shares in demat form are advised to contact their DPs for making nominations.

• Updation of address:

Shareholders are requested to update their addresses registered with the Company, directly through the RTA, to receive all communications promptly. Shareholders, holding shares in electronic form, are requested to deal only with their DPs in respect of change of address and furnishing bank account number, etc.

CORPORATE GOVERNANCE REPORT

• SMS Alerts:

Shareholders are requested to note that NSDL and CDSL have announced the launch of SMS alert facility for demat account holders whereby shareholders will receive alerts for debits / credits (transfers) to their demat accounts a day after the transaction. These alerts will be sent to those account holders who have provided their mobile numbers to their DPs. No charge will be levied by NSDL and CDSL on DPs providing this facility to investors. This facility will be available to investors who request for the same and provide their mobile numbers to the DPs. Further information is available on the website of NSDL and CDSL namely www.nsdl.co.in and www.cdslindia.com respectively.

• Timely encashment of Dividends:

Shareholders are requested to encash their Dividend Warrants promptly to avoid hassles of revalidation. As required by SEBI, shareholders are requested to furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. Shareholders are requested to note that the Dividends, not claimed for a period of seven years from the date they first became due for payment, shall be transferred to IEPF in terms of Section 124(6) of the Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

K. OTHER DISCLOSURE

• Materially Significant Related Party Transactions:

There are no transactions of material nature other than reported under "Related Party Disclosures" that have been entered into by the Company with the Promoters, Directors, their relatives and the Management and in any Company in which they are interested and that may have potential conflict with the interest of the Company. All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion, nor do they vote on such matters. The Company has formulated a policy on dealing with Related Party Transactions. The policy is available on the website of the Company at www.fredungroup.com

• Code of Conduct for prevention of Insider Trading:

The Company has duly adopted and have revised and updated Policy on Prevention of Insider Trading as required by every Listed Company under Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. All the Directors and Key Managerial Personnel of the Company as on March 31, 2022; along with their immediate Relatives, have disclosed their Shareholding in the Company and their acts are in compliance with the provisions of the said Code of the Company. The policy is available on the website of the Company at www.fredungroup.com

• Policy on Leak of Unpublished Price Sensitive Information:

The Company had formulated and adopted Policies and Procedures for Inquiry in Case of Leak of or Suspected Leak of Unpublished Price Sensitive Information under Regulation 9A (5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The Company endeavour to follow Good Corporate Governance Practices and thus take every step to ensure that no unfair trade practices are carried on in the Company or by any Personnel of the Company. The policy is available on the website of the Company at www.fredungroup.com

CORPORATE GOVERNANCE REPORT

• Vigil Mechanism

The Company has a duly adopted Whistle Blower Policy and established a Vigil Mechanism in line with the provisions of SEBI Listing Regulations, 2015 and Companies Act, 2013; which aims to provide a mechanism to the employees and Directors of the Company to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

It is affirmed that no personnel of the Company have been denied access to the Chairman of the Audit Committee during the Financial Year 2022-23. The policy is available on the website of the Company at www.fredungroup.com

• Code of Conduct of the Company

All the Directors and Senior Management Personnel of the Company have affirmed that they adhere to the Code of Conduct of the Company in true letter and spirit and have given Declaration that they abide by the Code for the year ended March 31, 2023. The Company has framed the policy on Code of Conduct for Director and Senior Management which is available on the website of the Company at www.fredungroup.com

• Policy on Preservation of Documents and Records

The Company has adopted and adhere to the Policy on Preservation of Documents and Records; pursuant to Regulation 9 read with Regulation 30(8) of SEBI Listing Regulations, 2015. The policy is available on the website of the Company at www.fredungroup.com

• Compliance Status

As part of Good Corporate Governance practices all the compliance requirements as per sub- para (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations, 2015; have been complied with by the Company.

• Compliance Certificate:

The Practicing Company Secretary has certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulation and the same forms part of this report.

**By Order of the Board
For Fredun Pharmaceuticals Limited
Sd/-**

**Jinkal Soni
(Jinkal Shah)**

(Company Secretary and Compliance Officer)

Place: **Mumbai**

Date: **May 24, 2023**

CORPORATE GOVERNANCE REPORT

CERTIFICATE OF CORPORATE GOVERNANCE

To
The Members
Fredun Pharmaceuticals Limited
Mumbai

We have examined the compliance with conditions of Corporate Governance by Fredun Pharmaceuticals Limited ('the Company'), for the financial year ended on March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') to the extent applicable.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management and Company Secretary, we herewith certify that the Company has materially complied with the conditions of Corporate Governance as stipulated in the above mentioned Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), related to Corporate Governance.

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

Sd/-
Kala Agarwal
Practicing Company Secretary
CP No.: **5356**
Membership No.: **5976**
Place: **Mumbai**
Date: **May 24, 2023**

CORPORATE GOVERNANCE REPORT

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

To,
The Members of
Fredun Pharmaceuticals Limited

Declaration by the Managing Director under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, **Fredun Medhora**, Managing Director & Chief Financial Officer of Fredun Pharmaceuticals Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2023.

Sd/-
Fredun Medhora
Managing Director and Chief Financial Officer

Place: **Mumbai**
Date: **May 24, 2023**

CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
FREDUN PHARMACEUTICALS LIMITED
11 th Floor, Tower A, Urmi Estate 95,
Ganpatrao Kadam Marg, Delisle Road,
Lower Parel (W), Mumbai-400013

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of **Fredun Pharmaceuticals Limited** having CIN L24239MH1987PLC043662 and having registered office at 11 th Floor, Tower A, Urmi Estate 95, Ganpatrao Kadam Marg, Lower Parel (W) Mumbai-400013 (hereinafter referred to as 'the Company'), produced before 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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2023 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	Date of Appointment in Company
1.	Dr. (Mrs.) Daulat Medhora	01745277	08/06/1987
2.	Mr. Fredun Medhora	01745348	15/10/2014
3.	Mr. Nariman Medhora	02060357	05/06/2021
4.	Dr. Aspi Raimalwala	02454860	30/09/2015
5.	Dr. Chandrakant Shah	02843653	30/09/2015
6.	Dr. Rohinton Kanga	07178190	30/09/2015

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.

Kala Agarwal
Practicing Company Secretary
CP No.: **5356**
Membership No.: **5976**
UDIN: **F005976E000372320**
Place: **Mumbai**
Date: **May 24, 2023**

CORPORATE GOVERNANCE REPORT

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY:

Under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

To,
The Board of Directors
Fredun Pharmaceuticals Limited

I, the undersigned, in my respective capacity as the Managing Director and Chief Financial Officer of Fredun Pharmaceuticals Limited ('the Company'), to the best of our knowledge and belief hereby certify that:

A. I have reviewed the Standalone Audited Financial Statements comprising of Balance Sheet as at March 31, 2023, Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and related financial information. We further state that to the best of their knowledge and belief:

1. The said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. The said statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violates the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

1. significant changes in internal control over financial reporting during the year March 31, 2023, if any;
2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Fredun Pharmaceuticals Limited

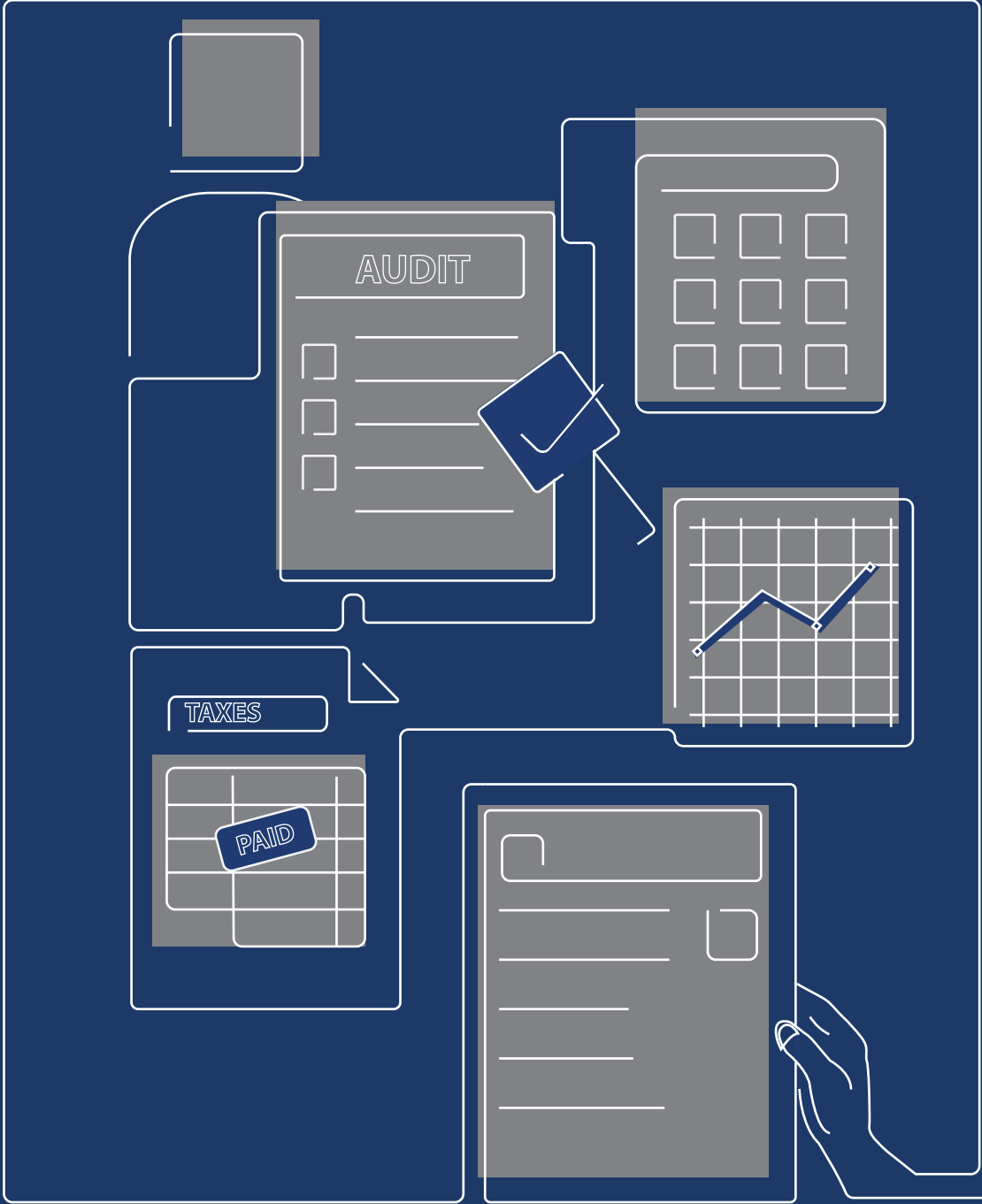
Sd/-

Fredun Medhora

Managing Director and Chief Financial Officer

Place: **Mumbai**

Date: **May 24, 2023**



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**INDEPENDENT AUDITORS
REPORT**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FREDUN PHARMACEUTICALS LIMITED

I. Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the accompanying Financial Statements of FREDUN PHARMACEUTICALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including comprehensive income), Cash Flow Statement and the statement of changes in Equity for the year then ended and summary of significant accounting policies and other explanatory information, (herein referred to as "Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

2. Basis for Opinion

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

3. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

4. Management's Responsibility for the Financial Statements

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

INDEPENDENT AUDITOR'S REPORT

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

5. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements 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 Financial Statements.

As part of an audit in accordance with SAs specified under section 143(10), we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

(i) Identify and assess the risks of material misstatement of the standalone 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.

(ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

(iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(iv) 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

(v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

(d) In our opinion, the aforesaid standalone 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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

INDEPENDENT AUDITOR'S REPORT

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

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

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements.

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

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

iv.

(a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. As stated in note no – 41 of the standalone financial statements,

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

INDEPENDENT AUDITOR'S REPORT

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For SAVLA & ASSOCIATES
CHARTERED ACCOUNTANTS

UDIN No – **23043901BGTOFN2873**

Place: **Mumbai**

Date: **24 th May, 2023**

DEEPAK G. SAVLA
(PARTNER)
Membership No.: **043901**



08

BALANCE SHEET

BALANCE SHEET

STANDALONE BALANCE SHEET FOR THE YEAR ENDED 31 MARCH, 2023

(Rs. in Lacs)				
		Notes	As at 31 March, 2023	As at 31 March, 2022
I	ASSETS			
	NON-CURRENT ASSETS			
a)	Property, Plant and Equipment	3	3,862.57	3,228.24
b)	Capital Work-in-Progress		-	-
c)	Other Intangible Assets	4	30.78	5.58
d)	Financial assets			
i)	Investments	5	0.28	0.28
ii)	Loans		-	-
iii)	Other Financial Assets	6	51.16	74.81
e)	Other Non-current Assets	7	162.05	125.00
	Total non - current assets		4,106.84	3,433.91
	CURRENT ASSETS			
a)	Inventories	8	15,012.36	4,646.01
b)	Financial Assets			
i)	Investments	9	30.80	5.80
ii)	Trade and other receivables	10	3,456.03	9,027.33
iii)	Cash and Cash Equivalents	11	294.65	193.78
iv)	Bank Balance other than (iii) above	12	48.86	13.40
v)	Loans	13	15.05	8.93
vi)	Other Financial Assets	14	1,250.66	77.42
c)	Other Current Assets	15	1,512.69	1,292.29
	Total current assets		21,621.11	15,264.96
	TOTAL ASSETS		25,727.95	18,698.87
II	EQUITY AND LIABILITIES			
	EQUITY			
a)	Equity share capital	16	453.23	443.26
b)	Other equity	17	9,184.35	6,362.80
	Total Equity		9,637.57	6,806.06
	LIABILITIES			
	Non-Current Liabilities			
a)	Financial liabilities			
i)	Borrowings	18	4,892.87	4,203.94
b)	Provisions	19	196.41	170.71
c)	Other non - current liabilities		-	-
d)	Deferred Tax Liability		384.30	143.12
	Total non current - liabilities		5,473.58	4,517.76

BALANCE SHEET

STANDALONE BALANCE SHEET FOR THE YEAR ENDED 31 MARCH, 2023

(Rs. in Lacs)				
		Notes	As at 31 March, 2023	As at 31 March, 2022
	Current Liabilities			
a)	Financial liabilities	20	3,759.63	1,072.50
	i) Borrowings			
	ii) Trade and other payable	21	5,934.27	4,861.67
	iii) Other financial liabilities	22	33.19	2.56
b)	Provisions			
c)	Other current liabilities	23	460.69	1,159.25
d)	Current tax liabilities (net)	24	429.01	279.06
	Total current liabilities		10,616.79	7,375.04
	TOTAL EQUITY & LIABILITIES		25,727.95	18,698.87
	Significant accounting policies The accompanying notes form an integral part of these Financial Statements Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements The above Balance Sheet should be read in conjunction with the accompanying notes.	2		
		1		

As per our attached report of even date.

For Savla & Associates

Chartered Accountants

Firm Registration No.: 109361W

Deepak G. Savla

Partner

Membership No.: 043901

UDIN No.: 23043901BGTOFN2873

Place: Mumbai

Date: 24th May 2023

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

CIN No.: L24239MH1987PLC043662

For Fredun Pharmaceuticals Limited

Dr. (Mrs) Daulat N. Medhora

Mr. Fredun N. Medhora

Joint Managing Director

DIN: 01745277

Managing Director & CFO

DIN: 01745348

Ms. Jinkal Soni

Company Secretary & Compliance Officer





**STATEMENT OF PROFITE AND
LOSS**

STATEMENT OF PROFIT AND LOSS

Standalone Statement of Profit and Loss for the year ended 31 March, 2023

(Rs. in Lacs)				
		Note	As at 31 March, 2023	As at 31 March, 2022
I	<u>Revenue</u>			
	Revenue from Operations	25	27,434.17	22,173.69
	Other Operating Revenue	26	33.39	272.26
	Other income	27	182.19	162.99
	Total Income		27,649.75	22,608.94
II	<u>Expenses</u>			
	Cost of materials consumed	28	24,556.66	17,645.32
	Cost of materials consumed for R & D	29	83.48	66.12
	Changes in inventories of raw materials, packing materials, stock in trade and wip	30	-3,771.58	-0.58
	Manufacturing & Service Cost	31	958.41	715.21
	Employee benefit Exp.	32	1,153.20	1,065.61
	Finance Cost	33	928.15	466.86
	Depreciation and amortisation expense	34	280.93	215.67
	Operating and other expenses	35	1,699.64	1,564.73
	Payment to Auditors		10.00	10.00
	Impairment loss / (reversal)			
	Total Expenses		25,898.90	21,748.95
III	Profit before exceptional items and tax		1,750.85	859.99
	Exceptional Items		-	-
IV	Profit before tax from continuing operations		1,750.85	859.99
V	<u>Tax Expenses:</u>			
	Current Tax		429.01	221.05
	Deferred Tax		241.18	5.41
VI	Profit for the year from continuing operations		1,080.66	633.53
VII	Profit before tax from discontinued operations		-	-
VIII	Tax expenses of discontinued operations		-	-
IX	Profit for the year from discontinued operations		-	-
X	Net Profit for the year		1,080.66	633.53
XI	<u>Other Comprehensive Income</u>			
	A) Items that will not be classified to profit and loss			
	i) Re measurement of post - employment benefit obligations		-4.92	-2.25
	ii) Income tax related to items that will not be reclassified to profit and loss		-	-
	B) Items that will be reclassified to profit and loss		-	-

STATEMENT OF PROFIT AND LOSS

Standalone Statement of Profit and Loss for the year ended 31 March, 2023

(Rs. in Lacs)				
		Note	As at 31 March, 2023	As at 31 March, 2022
XII	Total Comprehensive Income for the year		1,075.74	631.28
XIII	Earning per equity share (Face value of Rs. 10/- each)	36		
	Earning per equity share of continuing operations Basic and diluted (in Rs.)		24.13	15.26
	Earning per equity share of discontinued operations Basic EPS (in Rs.) of continuing and discontinued operations		24.13	15.26
	Diluted Basic EPS (in Rs.) of continuing and discontinued operations		22.93	0.00
	Significant accounting policies	2		
The accompanying notes form an integral part of these Financial Statements				

As per our attached report of even date.

For Savla & Associates

Chartered Accountants

Firm Registration No.: 043901

Deepak G. Savla

Partner

Membership No.: 043901

UDIN No.: 23043901BGTOFN2873

Place: Mumbai

Date: 24th May 2023

**For and on behalf of the Board of Directors of Fredun
Pharmaceuticals Limited**

CIN No.: L24239MH1987PLC043662

For Fredun Pharmaceuticals Limited

Dr. (Mrs) Daulat N. Medhora

Joint Managing Director

DIN: 01745277

Mr. Fredun N. Medhora

Managing Director & CFO

DIN: 01745348

Ms. Jinkal Soni

Company Secretary & Compliance Officer

FIXED ASSET

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

Note - 3				
<u>Property, plant and equipment</u>				
(Rs. in Lacs)				
Description	Freehold Land	Buildings	Plant and Machinery/	Computer Hardware
<u>Gross Block</u>				
Balance as at 01 April, 2021	52.35	1,927.84	1,098.98	28.93
Additions	-	92.60	82.31	33.35
Disposals	-	-	-	-
Balance as at 31 March, 2022	52.35	2,020.44	1,181.29	62.28
<u>Gross Block</u>				
Balance as at 01 April, 2022	52.35	2,020.44	1,181.29	62.28
Additions	-	-	525.09	9.89
Disposals	-	-	-	-
Balance as at 31 March, 2023	52.35	2,020.44	1,706.38	72.17
<u>Accumulated Depreciation</u>				
Balance as at 01 April, 2021	-	191.61	228.55	20.51
Depreciation for the year	-	69.43	60.96	9.07
Balance as at 31 March, 2022	-	261.04	289.51	29.58
<u>Accumulated Depreciation</u>				
Balance as at 01 April, 2022	-	261.04	289.51	29.58
Depreciation for the year	-	70.97	77.94	17.26
Balance as at 31 March, 2023	-	332.02	367.45	46.84
Net Block value as at 31 March 2022	52.35	1,759.39	891.78	32.70
Net Block value as at 31 March 2023	52.35	1,688.42	1,338.93	25.32

FIXED ASSET

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

Note - 3				
<u>Property, plant and equipment</u>				(Rs. in Lacs)
Description	Furniture and fixtures	Factory Equipment	Electrical Fittings	Electrical Instalation
<u>Gross Block</u>				
Balance as at 01 April, 2021	123.67	24.95	24.70	240.82
Additions	85.75	28.94	30.95	-
Disposals	-	-	-	-
Balance as at 31 March, 2022	209.42	53.89	55.65	240.82
<u>Gross Block</u>				
Balance as at 01 April, 2022	209.42	53.89	55.65	240.82
Additions	64.89	139.23	1.95	-
Disposals	-	-	-	-
Balance as at 31 March, 2023	274.31	193.12	57.60	240.82
<u>Accumulated Depreciation</u>				
Balance as at 01 April, 2021	61.39	10.66	12.44	128.57
Depreciation for the year	15.38	5.32	5.52	24.72
Balance as at 31 March, 2022	76.76	15.97	17.96	153.28
<u>Accumulated Depreciation</u>				
Balance as at 01 April, 2022	76.76	15.97	17.96	153.28
Depreciation for the year	24.47	20.06	5.70	24.55
Balance as at 31 March, 2023	101.23	36.03	23.66	177.83
Net Block value as at 31 March 2022	132.65	37.91	37.69	87.54
Net Block value as at 31 March 2023	173.08	157.09	33.94	62.99

FIXED ASSET**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

Note - 3				
Property, plant and equipment				(Rs. in Lacs)
Description	Lab Glassware	Motor Car	Office Premises	Office Equipment
<u>Gross Block</u>				
Balance as at 01 April, 2021	52.29	106.22	79.72	4.67
Additions	0.96	38.45	-	10.91
Disposals	-	14.30	-	-
Balance as at 31 March, 2022	53.25	130.36	79.72	15.57
<u>Gross Block</u>				
Balance as at 01 April, 2022	53.25	130.36	79.72	15.57
Additions	1.20	154.43	-	6.54
Disposals	-	9.01	-	-
Balance as at 31 March, 2023	54.44	275.78	79.72	22.11
<u>Accumulated Depreciation</u>				
Balance as at 01 April, 2021	21.04	49.00	19.39	2.93
Depreciation for the year	5.19	9.85	4.05	1.44
Balance as at 31 March, 2022	26.22	58.85	23.45	4.37
<u>Accumulated Depreciation</u>				
Balance as at 01 April, 2022	26.22	58.85	23.45	4.37
Depreciation for the year	5.30	18.97	4.05	2.92
Balance as at 31 March, 2023	31.52	77.82	27.50	7.30
Net Block value as at 31 March 2022	27.02	71.52	56.27	11.20
Net Block value as at 31 March 2023	22.92	197.97	52.22	14.81

FIXED ASSET**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

Note - 3		
Property, plant and equipment		(Rs. in Lacs)
Description	ElectronicDevices	Total
<u>Gross Block</u>		
Balance as at 01 April, 2021	17.83	3,782.96
Additions	19.19	423.40
Disposals	-	14.30
Balance as at 31 March, 2022	37.02	4,192.05
<u>Gross Block</u>		
Balance as at 01 April, 2022	37.02	4,192.05
Additions	16.62	919.83
Disposals	-	9.01
Balance as at 31 March, 2023	53.64	5,102.87
<u>Accumulated Depreciation</u>		
Balance as at 01 April, 2021	4.40	750.48
Depreciation for the year	2.41	213.32
Balance as at 31 March, 2022	6.81	963.81
<u>Accumulated Depreciation</u>		
Balance as at 01 April, 2022	6.81	963.81
Depreciation for the year	4.30	276.50
Balance as at 31 March, 2023	11.11	1,240.30
Net Block value as at 31 March 2022	30.21	3,228.24
Net Block value as at 31 March 2023	42.53	3,862.57

FIXED ASSET**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

Note - 4		
<u>Other Intangible Assets</u>		(Rs. in Lacs)
Description	Computer Software	Total
Balance as at 01 April, 2021	16.50	16.50
Additions	5.21	5.21
Disposals	-	-
Balance as at 31 March, 2022	21.71	21.71
<u>Gross Block</u>		
Balance as at 01 April, 2022	21.71	21.71
Additions	29.63	29.63
Disposals	-	-
Balance as at 31 March, 2023	51.34	51.34
<u>Accumulated Depreciation</u>		
Balance as at 01 April, 2021	13.78	13.78
Depreciation for the year	2.35	2.35
Balance as at 31 March, 2022	16.13	16.13
<u>Accumulated Depreciation</u>		
Balance as at 01 April, 2022	16.13	16.13
Depreciation for the year	4.44	4.44
Balance as at 31 March, 2023	20.56	20.56
Net Block value as at 31 March 2022	5.58	5.58
Net Block value as at 31 March 2023	30.78	30.78



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CASH FLOW STATEMENT

CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lacs)

A)	CASH FLOW FROM OPERATING ACTIVITIES:	Amount in lacs FY. 2022-2023		Amount in lacs FY. 2021-2022	
	NET PROFIT AFTER TAXATION		1,075.74		631.28
	<u>ADJUSTMENTS FOR:</u>				
	DEPRECIATION	280.93		215.67	
	INTEREST PAID	928.15		466.86	
	INTEREST RECEIVED	2.27		0.55	
	CREDITORS WRITTEN BACK	-41.40		98.42	
			1,169.95		781.50
			2,245.69		1,412.78
	<u>ADJUSTMENT TO OPERATING PROFIT</u>				
	PRIOR PERIOD ADJUSTMENTS				-
	DEFERRED TAX LIABILITY		241.18		5.41
	ADJUSTMENT FOR PROPOSED DIVIDEND TAX		-		-
	ADJUSTMENT FOR TAX PROVISION		429.01		221.05
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		2,915.88		1,639.24
	<u>EFFECTS OF CHANGES IN WORKING CAPITAL ITEMS</u>				
	<u>INCREASE / DECREASE IN :-</u>				
	INVENTORY	-10,366.35		2,111.44	
	INVESTMENTS	-25.00		-	
	TRADE RECEIVABLES	5,571.30		-4,919.80	
	LOANS & ADVANCES	-6.12		63.66	
	OTHER CURRENT ASSETS	-220.40		578.55	
	OTHER FINANCIAL ASSETS	-1,173.24		3.65	
	OTHER FINANCIAL ASSETS	23.65		-6.54	
	TRADE PAYABLES	1,072.61		-1,134.39	
	OTHER CURRENT LIABILITIES	-698.56		-322.31	
	OTHER NON CURRENT ASSETS	-37.05		-75.00	
	OTHER NON CURRENT INVESTMENTS	-		-	
	SHORT TERM PROVISION	-		-	
	PROVISION FOR TAX	-279.06		-54.54	
	RESERVES & SURPLUS	1,755.77		1,867.76	
	SHARE PREMIUM (RESERVES & SURPLUS)	-	-4,382.46	-	-1,887.51
			-1,466.58		-248.28
	<u>INCREASE / DECREASE IN :-</u>				
	LONG TERM LOANS & ADVANCES		-		
	LONG TERM PROVISIONS	25.70		10.26	
			25.70		10.26
	NET CASH FLOW FROM OPERATING ACTIVITIES		-1,440.88		-238.02
	EFFECTS OF CHANGES IN NON CURRENT ITEMS				
	OTHER NON CURRENT ASSETS		-		-
	NET ADJUSTED CASH FLOW FROM OPERATING ACTIVITIES		-1,440.88		-238.02
B)	CASH FLOW FROM INVESTING ACTIVITIES				
	PURCHASE OF FIXED ASSETS	-949.46		-428.60	
	SALE OF FIXED ASSETS	9.01		14.30	
	CAPITAL WORK IN PROGRESS	-		-	
			-940.45		-414.30
			-2,381.33		-652.32
C)	CASH FLOW FROM FINANCING ACTIVITIES				
	INCREASE / DECREASE IN ISSUE OF SHARE CAPITAL	-		-	

CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

	Amount in lacs FY. 2022-2023		Amount in lacs FY. 2021-2022	
INCREASE / DECREASE IN LONG TERM BORROWINGS	688.93		1,292.86	
INCREASE / DECREASE IN SHORT TERM BORROWINGS	2,717.75		19.65	
INTEREST RECEIVED	-2.27		-0.55	
INTEREST PAID	-928.15		-466.86	
CREDITORS WRITTEN BACK	41.40		-98.42	
NET INCREASE / DECREASE IN CASH		2,517.67 136.34		746.68 94.36
OPENING CASH & BANK BALANCE		207.18		112.82
CLOSING CASH & BANK BALANCE		343.51		207.18

For Savla & Associates

Chartered Accountants

Firm Registration No - 109361W

Deepak G. Savla

Partner

Membership No - 043901

UDIN No. :23043901BGTOFN2873

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

CIN No - L24239MH1987PLC043662

For Fredun Pharmaceuticals Limited

Dr.(Mrs) Daulat N. Medhora

Joint Managing Director

DIN: 01745277

Mr. Fredun N. Medhora

Managing Director & CFO

DIN: 01745348

Place - Mumbai

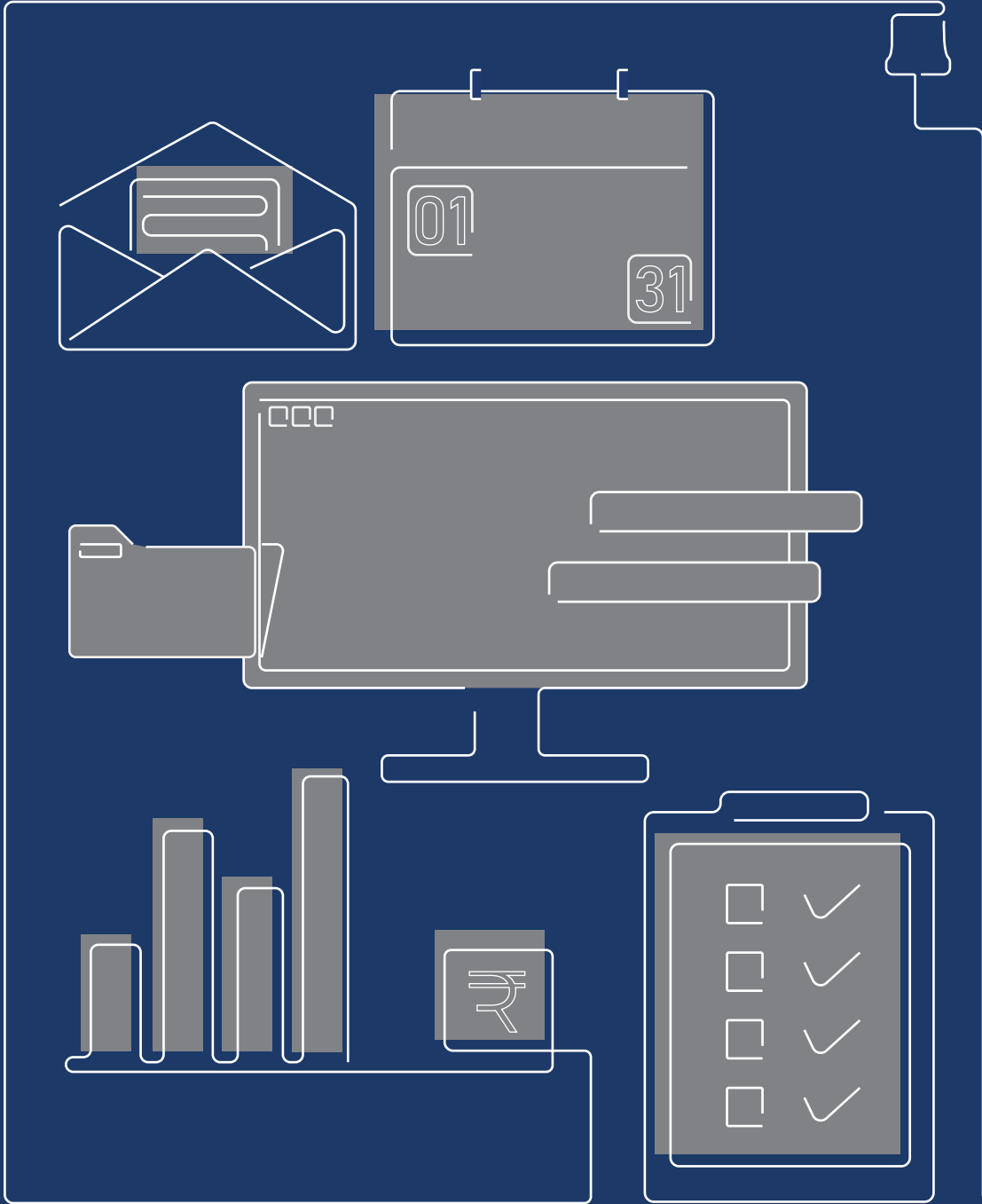
Date :- 24th May 2023

Ms. Jinkal Soni

Company Secretary & Compliance Officer

Note:-

- 1 The above Cash Flow Statement has been prepared under the indirect method set out in the Indian Accounting Standard (Ind AS) - 7 on "Statement of Cash Flow".
- 2 Direct taxes paid are treated as arising from operating activities and not bifurcated between investing and financing activities.
- 3 Figures in Bracket sign indicate cash outflow.
- 4 Previous year figures have been regrouped & recast, wherever necessary, to conform to the current year's classification.



The image features a large, light blue, stylized number '11' on the left side. The digits are composed of thick, vertical bars with a slight top-left corner cut-off. The background is a solid, dark blue color.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

	(Rs. in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Note - 5		
Investments: Non-Current		
Investments at Fair Value Through Other Comprehensive Income		
Unquoted		
SVC Bank Ltd. (260 Equity shares of Face value Rs. 10/- Each)	0.03	0.03
Saraswat Bank Ltd. (2500 Equity shares of Face value Rs. 10/- Each)	0.25	0.25
Total	0.28	0.28
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	0.28	0.28
Aggregate amount of impairment in the value of investments	-	-
Note - 6		
Other financial assets		
Unsecured, considered good unless otherwise stated		
Security Deposits		
Considered good	51.16	74.81
Considered doubtful	-	-
Less:- Allowance for doubtful deposits	-	-
Total	51.16	74.81
Note - 7		
Other Non Current assets		
Capital advances	162.05	125.00
Total	162.05	125.00
Note - 8		
Inventories		
(Valued at lower of cost and net realisable value)		
Raw materials	6,401.01	2,139.81
Packing materials	3,240.05	906.48
Work in progress	3,849.12	1,272.40
Finished product	1,522.18	327.33
Total	15,012.36	4,646.01

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

	(Rs. in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Note - 9		
Investments (Investments carried at fair value through profit and loss)		
Investment in mutual funds (unquoted)		
2666.359 units (31 March, 2022: 2666.359 Units) of Invesco-India Multicap Fund	1.20	1.20
219.557 units (31 March, 2022: 219.557 Units) of Franklin India Equity Fund	1.20	1.20
3453.647 units (31 March, 2022: 3453.647 Units) of Kotak Emerging Equity	1.30	1.30
2693.168 units (31 March, 2022: 2693.168 Units) of Nippon-India (Formerly Known as Reliance-Small Cap Fund)	1.00	1.00
1502.004 units (31 March, 2022: 1502.004 Units) of Sundaram-Small Cap Fund	1.10	1.10
484133.827 units of Aditya Birla Sunife crizil MF	25.00	-
Total	30.80	5.80
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	30.80	5.80
Aggregate amount of impairment in the value of investments	-	-
Note - 10		
Trade receivables Unsecured, considered good		
Trade Receivable	3,456.03	9,027.33
Less:- Allowance for doubtful debts	-	-
Less:- Impaired Credit	-	-
Total	3,456.03	9,027.33

Trade Receivables ageing schedule (Rs. in Lacs)						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade receivables - considered good March-2023	2,088.71	705.86	497.75	147.39	16.31	3,456.03
Undisputed Trade receivables - considered good March-2022	8,332.87	352.67	172.26	155.14	14.38	9,027.33
Undisputed Trade receivables - considered doubtful March-2023	-	-	-	-	-	-
Undisputed Trade receivables - considered doubtful March-2022	-	-	-	-	-	-
Disputed Trade receivables - considered good March-2023	-	-	-	-	-	-
Disputed Trade receivables - considered good March-2022	-	-	-	-	-	-
Disputed Trade receivables - considered doubtful March-2023	-	-	-	-	-	-
Disputed Trade receivables - considered doubtful March-2022	-	-	-	-	-	-

(Note)

10.1 Balances of Trade Receivables are subject to confirmation and reconciliation and generally non interest bearing. The Trade Receivables has been pledged against the Term Loan taken from the Bank.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. in Lacs)		
	As at 31 March, 2023	As at 31 March, 2022
Note - 11		
Cash and Cash Equivalents		
Cash	49.93	54.64
Balance with Banks		
In current accounts	244.72	139.14
Total	294.65	193.78
11.1 Cash at banks earns interest at floating rates based on time deposit rates. Short-term deposits are made for varying periods of between three months and twelve months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The deposits maintained by the company with banks comprises time deposits, which can be withdrawn by the company at any point without prior notice or penalty on the principal.		
11.2 There are no repatriation restrictions with regards to cash and cash equivalents		
Note - 12 - Bank balance other than cash and cash equivalents		
Earmarked Balances	33.17	2.56
Bank Deposits (With Original Maturity more than three months)	15.69	10.84
Total	48.86	13.40
Note - 13		
Loans (Short term)		
Loans to Employees	15.05	8.93
Total	15.05	8.93
Note - 14		
Other Financial Assets		
Other receivables		75.83
Advance to Creditors	1,250.66	1.59
From others	-	
Total	1,250.66	77.42
Note - 15		
Other Current Assets		
Others	75.18	56.83
Balance with Government Authorities:	1,437.51	1,235.47
Total	1,512.69	1,292.29

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Notes to financial statements for the year ended 31/03/2023**(Rs. In Lacs)**

Particulars	As at 31 March, 2023	As at 31 March, 2022
Note - 16		
Equity share capital		
Authorized Capital		
1,00,00,000 (31 March, 2022 1,00,00,000) equity shares of Rs. 10 each	1,000.00	1,000.00
Issued subscribed and fully paid-up share capital		
4532272 (31 March, 2022 - 44,32,643) equity shares of Rs. 10 each	453.23	443.26
	453.23	443.26

(a) Reconciliation of Equity shares outstanding at the beginning and at the end of the reporting period**(Rs. In Lacs)**

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number	Amount	Number	Amount
Number of equity shares at the beginning of the year	44.33	443.26	39.90	398.96
Add - Further Issue(Equity shares)	1.00	09.96	4.43	44.30
Number of equity shares at the end of the year	45.32	453.23	44.33	443.26

(b) Terms / rights attached to equity shares

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to received dividend as declared from time to time. The votings rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid - up equity capital of the company. Voting rights cannot be excercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the company, the holders of equity shares will be entitled to received the residual assets of the company, remaning after distribution of all preferential amounts in proportion to the number of equity shares held

(c) Particulars of shareholders holding more than 5% of shares**(Rs. In Lacs)**

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number	%	Number	%
Dr. Mrs Daulat N. Medhora	13.93	30.73%	13.93	31.42%
Mr. Nariman B. Medhora	7.20	15.88%	7.20	16.24%
Mr. Nikhil Vora	3.13	6.90%	3.40	7.67%

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Note (a): Equity Share Capital (Refer note - 16)**(Rs. in lacs)**

Particulars	Amount
As at 01 April, 2021	398.96
Changes in equity share capital during the year	44.30
As at 31 March, 2022	443.26
As at 01 April, 2022	443.26
Changes in equity share capital during the year	9.96
As at 31 March, 2023	453.23

Note (b): Other equity (Refer note - 17)**(Rs. In Lacs)**

Particulars	Capital Reserve	Securities Premium	Retained Earnings	Total
Balance as at 01 April, 2021	-	2,715.50	1,192.55	3,908.06
Profit for the year	-	-	633.53	633.53
Premium for the year	-	-	-	-
Other comprehensive income for the year	-	-	2.25	2.25
Total comprehensive income for the year	-	-	-	-
Dividend on Equity Shares	-	-	-27.93	-27.93
Forfeited shares amount treated as income for the year-	-	-	-	-
Balance as at 31 March, 2022	-	2,715.50	1,800.40	4,515.91
Profit for the year	-	-	1,080.65	1,080.65
Other comprehensive income for the year	-	-	4.92	4.92
Add Back the Excess Provision	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Dividend on Equity Shares	-	-	-31.17	-31.17
Share Premium	-	955.71	-	955.71
Forfeited shares amount treated as income for the year-	-	-	-	-
Balance as at 31 March, 2023	-	3,671.21	2,854.80	6,526.01

Nature and purpose of reserves :-**Securities Premium**

Securities Premium reserve is used to record the premium on issue of shares which is utilised in accordance with the provisions of The Companies Act, 2013.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our attached report of even date.**For and on behalf of the Board of Directors of
Fredun Pharmaceuticals Limited**

For Savla & Associates
Chartered Accountants
Firm Registration Number.: 109361W
Deepak Savla
Partner
Membership No 043901
UDIN No.: 23043901BGTOFN2873

CIN No.: L24239MH1987PLC043662
For Fredun Pharmaceuticals Limited

Dr. (Mrs.) Daulat N. Medhora
Joint Managing Director
DIN: 01745277

Mr. Fredun N. Medhora
Managing Director & CFO
DIN: 01745348

Mumbai:
Date: 24th may 2023

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. In Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Note - 17		
Other Equity		
Reserves and Surplus		
Securities premium account		
Opening Balance	4,541.15	2,715.50
Additions	955.71	1,825.64
Closing Balance	5,496.86	4,541.15
Retained earnings	2,854.80	1,800.40
Share Warrant Issued	832.68	21.25
Total	9,184.34	6,362.80

Note - 18		
Borrowings: Non-current		
Term loan		
a) from banks	4,892.87	4,203.94
b) from other parties	-	-
Total	4,892.87	4,203.94

18.1 Term loans are secured against plant and machinery, stock and car.

18.2 Average interest rate on loans is 18% p.a.

Note - 19		
Long term provisions		
Long Term Loan		
Provisions for employee benefits:-		
Provisions for Gratuity	99.72	101.85
Provisions for Gratuity (F & F Payable)	-	-1.60
Provisions for Compensated Absences	96.69	70.45
Total	196.41	170.71

Note - 20		
Borrowings: Current		
Loans repayable on demand		
a) from banks	3,429.89	318.46
b) from other parties	139.20	580.10
c) from related parties	190.53	173.94
Total	3,759.63	1,072.50

20.1 Loan from related Party has been paid at par to the Market Lending Rate and which shall be repayable on demand. Details are given in note - Related party disclosures

Note - 21		
Total outstanding dues of micro and small enterprise (Refer Note - 43)	-	-
Total outstanding dues of creditors other than micro and small enterprise	5,934.27	4,861.67
Total	5,934.27	4,861.67

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Trade payables as on March, 2022 & March, 2021							(Rs. In Lacs)
	Outstanding for the following period from the due date of the payment						
	Not Due	Less than One year	1-2 years	2-3 Years	Morethan 3 years	Total	
Total outstanding dues of micro and small enterprise - March-2023 (Refer Note - 43)	516.43	1408.86	12.99	-	-	1,938.28	
Total outstanding dues of micro and small enterprise - March-2022 (Refer Note - 43)	-	-	-	-	-	-	
Total outstanding dues of creditors other than micro and small enterprise March-2023	3398.79	386.60	97.60	64.43	48.57	3,995.99	
Total outstanding dues of creditors other than micro and small enterprise March-2022	2444.48	2223.94	90.78	48.70	53.76	4,861.67	
Disputed Dues - Total outstanding dues of micro and small enterprise -March-2023	-	-	-	-	-	-	
Disputed Dues - Total outstanding dues of micro and small enterprise March-2022	-	-	-	-	-	-	
Disputed Dues - Total outstanding dues of creditors other than micro and small enterprise March-2023	-	-	-	-	-	-	
Disputed Dues - Total outstanding dues of creditors other than micro and small enterprise - March-2022	-	-	-	-	-	-	
Total							

21.1 The Trade payable has been pledged against the Cash Credit from Bank.

21.2 There are no transactions with struck off companies for the year ending March 31, 2023 and in March 31, 2022

	(Rs. in Lacs)	(Rs. in Lacs)
	As at 31 March 2023	As at 31 March 2022
Note -22		
Other Financial liabilities: Current		
Current maturities of long-term debt	-	-
Unpaid dividends	33.19	2.56
Total	33.19	2.56
Note - 23		
Other current liabilities		
Advance from customers	112.49	91.21
Statutory dues Payable	76.34	65.53
Employee benefits Payable	206.64	178.97
Other provisions	63.06	34.12
Loans repayable on demand	2.15	789.42
Total	460.69	1,159.25

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. In Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Note - 24		
Current tax liabilities Provision for tax	429.01	279.06
Total	429.01	279.06
Note - 25		
Revenue from operations		
Sale of goods	27,434.17	22,173.69
Other operating revenue	0.00	0.00
Total	27,434.17	22,173.69
Note - 26		
Other operating revenue:-		
Rent Received	0.00	0.00
Other Income	33.39	272.26
Total	33.39	272.26
Note - 27		
Other Income		
Interest on:-		
Interest Income	2.27	0.55
Discount Received	0.01	3.10
Dividend Income	0.05	0.05
Misc. Other Income	12.61	41.24
Net gain / loss on account of foreign exchange fluctuations	138.51	118.05
Rent Income	19.20	0.00
Claim Settlement Refund of Motor Car	9.04	0.00
Research & Development Charges	0.50	0.00
Total	182.19	162.99
Note - 28		
Cost of material consumed		
Material Consumed	24,556.66	17,645.32
Total	24,556.66	17,645.32
Note - 29		
Material Consumed for R & D		
Material Consumed	83.48	66.12
Total	83.48	66.12

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. In Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Note - 30		
Changes in inventories of finished goods, stock-in-trade and work in progress		
Opening stock		
Finished goods / stock in trade	327.33	849.33
Work in progress	1,272.40	749.82
Closing stock		
Finished goods / stock in trade	1,522.18	327.33
Work in progress	3,849.12	1,272.40
Total	-3,771.58	-0.58
Note - 31		
Manufacturing & Service Cost		
Clearing & Forwarding Exp Inward	0.33	1.99
Electricity Expenses Factory	316.56	333.65
Factory Expenses	13.75	6.00
Freight Inward	13.14	13.43
Lab Chemical Expenses	14.47	10.93
Labour Charges Expenses	374.79	168.70
Light Diesel Oil Purchase	0.00	2.83
Laboratory Items	4.29	3.38
Other R & D Exp.	0.00	6.20
Machinery Spares & Toos Exp.	53.70	29.56
Repairs & Maintenance Expenses	90.79	88.14
Service Charges	9.74	5.21
Testing & Analytical Expenses	26.49	38.94
Loading & Unloading Expenses	8.39	6.25
Design Development Charges	0.05	0.00
Plate Making Charges	1.07	0.00
Transport Charges RCM	30.81	0.00
Water Charges	0.04	0.00
Total	958.41	715.21
Note - 32		
Employee benefit expenses		
Gratuity	12.83	16.21
Labour Welfare Fund Employers Contribution	0.09	0.38
Bonus Expense	40.60	43.14
Medical Expenses	15.38	3.89
P F Administration Charges	1.83	1.84
ESIC	9.16	10.05
P F Employers Contribution	45.56	45.68
Salary Wages and Bonus	978.33	912.22
Staff Welfare	49.42	32.21
Total	1,153.20	1,065.61
Note - 33		
Finance Cost		
Bank Charges	20.18	11.87
Bank Interest	718.61	334.33
Interest Expense	93.56	97.65
Other Finance Charges	95.79	23.01
Total	928.15	466.86

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. In Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2023
Note - 34		
Depreciation and amortisation expense		
Depreciation and amortisation expense	280.93	215.67
Total	280.93	215.67
Note - 35		
Operating and other expenses		
Air Freight	83.69	56.56
Advertisement Expenses	9.87	18.33
Advance Authorizatiion Charges	0.25	2.65
Bank Guarantee CMS	0.11	0.00
Business Promotion expenses	51.98	20.84
Bad-Debts Written off	0.00	31.41
CSR Activity Expense	9.53	0.00
Computer Software Expenses	9.11	0.87
Computer Expenses	10.40	1.82
Conveyance Expenses	17.46	13.85
Courier Charges	5.40	9.97
Catering Service	1.10	1.39
Clearing & Forwarding Exp Outward	54.92	93.82
Commission expenses	32.44	26.95
Credit Card Charges	3.31	4.46
Commitment Charges	0.36	0.00
CDSL Exp.	0.56	0.00
Directors Sitting Fees	1.44	1.40
Donation Expenses	0.75	7.55
Detainment Charges	10.48	4.52
Discount & Rebate	66.54	0.00
ECGC INSURANCE Expenses	33.59	4.17
Electricity Expenses	20.19	12.19
Electrical Fitting Exp.	28.60	2.84
Electrical Tools & Spares	6.68	16.38
Event / Exhibition Exp	1.62	0.00
Freight Outward expenses	51.42	36.74
Furniture Exp.	3.53	2.92
Fire Protection Fees	0.00	1.50
GST Dues of Earlier Year	7.59	0.00
Hire Charges	7.76	3.56
Hotel Boarding / Lodging	1.68	0.00
Insurance Charges	34.98	39.75
Ineligible GST Input credit	76.45	151.53
Interest on Late Payment of GST	0.01	0.00
Interest on Late Payment of TDS	12.04	6.35
Interest on Late Payment of TCS	0.02	0.71
Interest on Late Payment of ESIC	0.10	0.03
Interest on delay Payment of Income Tax	82.38	0.00
Interest on delay Paymnet of Society Maint.	0.03	0.00
Installation & Configuration Charges	0.13	0.00
Late Fees for Late filing of Employees Professional Tax	0.09	0.01
Late filing Fees on GST	0.01	0.01
Internet Rental Charges	2.56	3.19
Inspection Charges	0.00	4.67
Listing Fees	8.19	4.80
License Renewal Fees	7.21	4.78

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. In Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Note - 35		
Legalization Charges	1.35	0.69
Loss on Motor car (Bolero)	9.01	0.00
Maharashtra Pollution Control Board	0.43	0.00
Membership & Subscription	0.22	1.09
Miscellaneous Expenses	12.60	7.43
Marketing Charges	0.75	0.00
Market Research Exp.	0.67	0.85
Motor Car Expenses	24.22	20.05
MEIS Authorization charges	0.00	3.04
Nagar Parishad Palghar	5.86	3.14
Printing & Stationery Expenses	21.27	20.74
Product Licence Fees	2.97	0.00
Professional Fees	212.07	142.35
PTEC Paid	0.03	0.03
Penalty on MLWF	0.01	0.00
ROC Expenses	0.09	0.06
Rates , Taxes And Fees	9.42	14.00
Rent Expenses	278.10	209.92
Railway Liquidated Damage Charges	1.05	0.00
Redumption of Advance Licence.	0.18	0.00
Security Charges Expenses	52.68	34.78
Telephone expenses	5.24	5.56
Travelling Expenses	102.89	61.88
Tendor Fees	2.34	0.00
Trade Licence Fees	0.56	0.00
Web Hosting Charges	0.83	0.00
Whole Sale Licence Fees	0.12	0.00
Office Expenses	3.46	13.90
Other Charges	1.45	4.67
Sales Promotion expenses	1.40	6.61
Sea Freight	148.16	333.20
Society Maintanance Charges	5.45	0.00
Sponsorship service	18.10	0.00
Stampduty	10.03	0.00
Stampduty for Rent Agreement	0.27	0.00
Stampduty for Mortgage Assets	0.39	0.00
Sundry Debotrs Written off	2.53	7.09
Sundry Creditors Interest on delay Payment	9.09	0.00
VAT Assessment Dues (Earlier Year)	0.00	76.44
Penalty on MLWF	0.00	0.08
Product Registration	-2.18	4.54
Round off	0.00	0.00
Issuer Annual Bill -CDSL	0.00	0.09
Total	1,699.64	1,564.73
Notes:-		
i) Payment to Auditors		
Audit fees	6.00	6.00
Taxation matters	2.00	2.00
Other matters	1.00	1.00
Certification Charges	1.00	1.00
Total	10.00	10.00

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. In Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Note - 36		
Earnings per equity share		
Calculation of weighted average number of equity shares		
Number of equity shares outstanding at the beginning of year	44.33	39.90
Number of equity shares outstanding at the end of the year	45.32	44.33
Weighted average number of equity shares outstanding during the year	44.78	41.52
Earnings per equity share of continuing operations (of Rs. 10/- each)		
Profit after tax of continuing operations	1,080.66	633.53
Basic Earning Per Share (in Rs.)	24.13	15.26
Diluted Earnings per equity share	-	-
Calculation of weighted average number of equity shares		
Number of equity shares outstanding at the beginning of year	44.33	-
Number of equity shares outstanding at the end of the year	45.32	NA
Share Warrant issued during year which will be converted into potential equity share in ratio 1 share warrant equals to 1 equity share. Therefore Number warrant issued 234390 which will converted into 234390 equity shares	2.34	NA
Weighted average number of equity shares outstanding during the year	47.13	-
Diluted Earnings per equity share of continuing operations (of Rs. 10/- each)-		
Profit after tax of continuing operations	1,080.66	-
Basic and diluted (in Rs.)	22.93	-

Note - 37

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value

(Rs. In Lacs)

31 Mar 23	Carrying Value				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Security deposits	-	-	51.16	-	-	-	-	-
Investments	30.80	-	-	-	30.80	-	-	30.80
Trade and other Receivable	-	-	3,478.69	-	-	-	-	-
Cash and cash equivalents	-	-	294.65	-	-	-	-	-
Other bank balance	-	-	48.86	-	-	-	-	-
Loans	-	-	15.05	-	-	-	-	-
Other financial assets	-	-	1,249.16	-	-	-	-	-
Financial Liabilities								
Long terms loans	-	-	4,892.87	-	-	-	-	-
Short terms loans	-	-	3,782.28	-	-	-	-	-
Trade and other payables	-	-	5,936.34	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. In Lacs)								
31 March, 2022	Carrying Value				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Security deposits	-	-	74.81	-	-	-	-	-
Investments	5.80	-	-	-	5.80	-	-	5.80
Trade and other Receivable	-	-	9027.33	-	-	-	-	-
Cash and cash equivalents	-	-	193.78	-	-	-	-	-
Other bank balance	-	-	13.40	-	-	-	-	-
Loans	-	-	8.93	-	-	-	-	-
Other financial assets	-	-	77.42	-	-	-	-	-
Financial Liabilities								
Long terms loans	-	-	4,203.94	-	-	-	-	-
Short terms loans	-	-	1,072.50	-	-	-	-	-
Trade and other payables	-	-	4,861.67	-	-	-	-	-

Note - 38

Financial instruments - Risk management

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

Financial risk management

The company has exposure to the following risks arising from financial instruments

- 1 Credit risk
- 2 Liquidity risk and
- 3 Market risk

i Credit risk

Credit risk is the risk of financial loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in normal course of business. The company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Trade and other receivable

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

Expected credit loss assessment

Exposure to customers outstanding at the end of each reporting period are reviewed by the company to determine and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the company have not undergone any substantial change, the company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extension analysis of customer credit risk. The impairment loss at 31 March, 2023 related to several customers that have defaulted on their payments to the company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents

As on 31 March, 2023 the company held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of Rs. 294.64/- Lacs (31 March, 2022 Rs.193.77/- Lacs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

ii Liquidity risk

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

As on 31 March, 2023 the company has working capital of Rs.11004.31/- Lacs (As on 31 March, 2022 Rs.7889.91/- Lacs) including cash and cash equivalents and other bank balances of Rs. 343.51/- Lacs (As on 31 March, 2022 Rs. 207.18/- Lacs). Working capital is calculated as current assets less current liabilities.

iii Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchanges rates) or in the prices of market risk - sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk - sensitive financial instruments, all foreign currency receivables and payables and all short term and long - term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

A Currency risk

The fluctuations in foreign currency exchanges rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity

Considering the countries and economic environment in which the company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in USD against the respective functional currency of the company.

As of March 31, 2023, the Company's exposure to foreign currency risk, expressed in INR, is given in the table below. The amounts represent only the financial assets and liabilities that are denominated in currencies other than the functional currency of the Company.

Financial instruments	Exposure to USD expressed in Rs. (Amt In Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Trade receivable	1,489.73	1,998.04
Trade Payable	-	-
Net exposure to foreign currency risk	1,489.73	1,998.04

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.

Note - 39

Related party relationships, transaction and balances

The table provides the information about the Group's structure including Key Management Personnel and Business Organisation controlled by Key Management Personnel or their relatives. The following table provides the total amount of transaction that have been entered into with related parties for the relevant financial year

A. Related parties and nature of relationship where control exist (upto 31 March, 2023)

Key Management Personnel :

- i) Mr. Nariman B.Medhora
- ii) Mrs. Dr. Daulat N.Medhora
- iii) Mr. Fredun N. Medhora

B.Business Organisation controlled by Key Management Personnel or their relatives:

- i) Fredna Enterprise
- ii) Fredun Healthcare Private Limited
- iii) Fredna Enterprise Pvt Ltd

NOTES TO FINANCIAL STATEMENTS**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023**

- iv) Fredna Dental System Pvt Ltd
v) FR Freiya Lifestyle Private Limited
vi) SF Partner and Consultants Pvt Ltd
vii) Trois Biotech Pvt. Ltd

Details of transactions entered into with the related parties for the relevant financial year (Rs. In Lacs)			
Name	Transaction	For the Year Ended 31 March, 2023	For the Year Ended 31 March, 2022
Dr. Mrs. Daulat N. Medhora	Director Remuneration	12.00	12.00
	Rent	1.00	0.96
	Interest on Loan	6.69	21.61
Mr. Nariman B. Medhora	Director Remuneration	-	2.20
	Rent	2.16	2.13
	Interest on Loan	12.23	3.94
Mr. Fredun N. Medhora	Director Remuneration	54.00	39.00
	Rent	2.93	2.83
	Interest on Loan	18.65	2.58
Fredun Healthcare Private Limited	Purchase	-	4600.38
	Sales	34.95	88.26
Fredna Enterprises	Rent	115.20	115.20
	Sales	-	1.54
	Purchase	336.37	19.33
Fredna Dental Systems Pvt Ltd	Rent	22.66	-
Trois Biotech Pvt. Ltd	Sale	55.77	-
	Purchase	-	-

Balances Outstanding as at March-31-2023 with related parties were as follows : (Rs. In Lacs)			
Name	Transaction	For the Year Ended March-31, 2023	For the Year Ended March-31, 2022
Dr. Mrs Daulat N. Medhora	Director Remuneration	32.38	22.15
	Rent	4.86	3.86
	Directors Loan	28.17	56.74
Mr. Nariman B. Medhora	Director Remuneration	-	-
	Rent	1.06	4.92
	Directors Loan	76.57	66.79
Mr. Fredun N. Medhora	Director Remuneration	-	-
	Rent	36.81	0.33
	Directors Loan	2.36	2.22
Fredun Healthcare Private Limited	Payable	85.80	50.41
	Receivables	-	806.49
Fredna Enterprises	Payable	-	0.04
	Rent Deposit Given	-	-
		27.75	27.75

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Note - 40

Segment reporting

Chief Operating Decision maker (CODM) reviews the company as Single Pharmaceutical formulation Segment. Information with respect to Geographical areas are as below:

Particulars	31 March, 2023		31 March, 2022	
	Domestic (Rs.In Lacs)	Export (Rs.In Lacs)	Domestic (Rs.In Lacs)	Export (Rs.In Lacs)
Revenue from operations	21,231.08	6,203.09	14,812.75	7,360.93
Total	21,231.08	6,203.09	14,812.75	7,360.93

Particulars	31 March, 2023		31 March, 2022	
	Domestic (Rs.In Lacs)	Import (Rs.In Lacs)	Domestic (Rs.In Lacs)	Import (Rs.In Lacs)
Purchase	31,182.25	52.66	15,521.39	78.04
Total	31,182.25	52.66	15,521.39	78.04

* Revenue information above is based on the locations of the customers

Note - 41

Events after the Reporting Period:

1. There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date except Point No 2 below.

2. The proposed dividend of Rs. 0.70 per Share is recommended by the Board which is subject to the approval of shareholders in the ensuing Annual General Meeting.

Note - 42

Figures For the previous year have been re-grouped/re-arranged wherever necessary to conform current year's classification.

Note - 43

Dues to micro and small enterprise

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at March 31, 2023 and March 31, 2022 is as under:

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

	As at 31 March, 2023	As at 31 March, 2022
Dues remaining unpaid to any supplier		
Principal	1,421.85	-
Interest on the above	-	-
Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	9.09	-
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	-

44. Provisions & Contingent Liabilities

Accounting Policy

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

NOTE

A) During the year the Bombay Stock Exchange (BSE) raised queries to company related to provision of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 where company had clarified all the queries raised by the BSE. However, BSE has imposed the fine payable on dated 23.03.2023 by the company amounting to Rs. 361.75 Lakhs under non-compliance of regulations 27(2) and 23(9) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

B) The company had already filed the waiver letter with BSE on dated 25.04.2023 on the contrary to the fine imposed by the BSE since there is difference in interpretation of the law between the parties. Further, the management believes that the waiver letter will be accepted by the BSE and there won't be any probable outflow of the cashflow by the company in future and fine imposed by the BSE will be waived off and company's stands will be accepted by the BSE. Thus no provisions is made of the fine imposed and it is considered under the contingent liability.

45. Capital Commitments

The company does not have any capital commitments as at 31st March, 2023

46. Non-cancellable Operating Leases

The Company has taken various residential/office premises/factory godowns under operating lease or leave and license agreement with no restrictions and are renewable/ cancellable at the option of either of the parties. There are no sub-leases. The lease payments recognised under "Rent Expenses" are:

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Rental expense relating to Operating Leases

(Rs. In Lacs)

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
RENT EXPENSE	278.10	209.92
Total rental expense relating to Operating Leases	278.10	209.92

47. Earnings Per Share (EPS)

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
A. Basic Earnings Per Share		
i. Net Profit attributable to Equity Shareholders	1,080.66	633.53
ii. Weighted average number of Equity Shares Outstanding (Nos.)	44.78	41.52
Basic and Diluted EPS (Rs) (i)/(ii)	24.13	15.26

48. Capital Management

The company's objective while managing capital are:

1. Safeguard its ability to continue as a going concern
2. Maintain an optimal mix of debt and capital to reduce overall cost of capital
3. Provide adequate returns to shareholders

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
Gross Debt	15,706.08	11,749.69
Less: Cash and cash equivalents	294.65	193.78
Net debt	15,411.43	11,555.91
Total Equity	9,637.56	6,806.06
Net debt to equity ratio	1.60	1.70

Note No. 49

Employee Benefit Obligations

(Rs. In Lacs)

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Current	NonCurrent	Current	Non Current
Gratuity (unfunded)	10.96	88.76	11.20	90.65
Total	10.96	88.76	11.20	90.65

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(i) Leave Obligations

The leave obligations cover the Company's liability for sick and earned leave. The amount of the provision of Rs.96.69/-Lacs (March 31, 2022 Rs. 74.71/- Lacs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

ii) Post-Employment Obligations

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately multiplied for the number of years of service as per the Scheme.

(iii) Defined Contributions Plans

The Company also has certain defined contribution plans . Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. Amount recognized as an expense during the period towards defined contribution plan is Rs.47.39/- Lacs (March 31, 2022 Rs.45.68/- Lacs).

Details of Gratuity

The amounts recognised in the balance sheet and the movements in the net defined Benefits obligation over the year are as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Present Value of Obligation	Present Value of Obligation
As at 1st April		
Interest Expense/(Income)		
Current Service Cost	17.56	16.21
Total Amount recognized in Profit and Loss	17.56	16.21
Total amount recognised in Other Comprehensive Income	-4.92	-2.25
Total	12.64	13.96

The significant actuarial Assumption where as follows:

	As at 31 March, 2023	As at 31 March, 2022
Discount rate	7.41%	6.57%
Attrition rate	2.00%	2.00%
Salary escalation rate	5.00%	5.00%

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Additional Details

Methodology Adopted for Assured Life Mortality (ALM)

Projected Unit Credit Method

Details of Funding

Unfunded

Risk exposure and Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1. Liability Risks

a. Asset-liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk -

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk-

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2. Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the Company may default on paying the benefits in adverse circumstances, Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

<u>Note No.50</u>	(Rs. In Lacs)	
Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
Taxation		
a) Income Tax Expense		
Current Tax		
Current tax for the year	429.01	221.05
Adjustment to current tax of prior periods	-	-
Utilisation of MAT credit	-	-
Total Current Tax Expenses	429.01	221.05
Deferred Tax		
Decrease /(Increase) in Deferred Tax Assets	-	-
Increase / (Decrease) in Deferred Tax Liabilities	241.18	5.41
Total Deferred Tax Expenses/(Benefits)	241.18	5.41
Income Tax Expense	670.19	226.46
Income Tax Expense Charged/(Credited) to:		
Profit and Loss account		
Current Tax Expenses	429.01	221.05
Deferred Tax Expenses	241.18	5.41
	670.19	226.46
Other Comprehensive Income		
Items that will not be reclassified to Profit and Loss		
Current Tax Expenses		
Loss on Remeasurement of Defined Benefit Plan	-	-
	-	-
Total	670.19	226.46
b) Reconciliation of tax expense and accounting profit multiplied by tax rate applicable in India :		
Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
Profit from Operations Before Income Tax Expense	1,750.85	859.99
Corporate Tax Rate as per Income Tax Act, 1961	25.16%	25.16%
Tax on Accounting profit	429.01	221.05
Tax on Income Exempt From Tax:		
Dividend Income	-	-
Tax on Expenses not Tax Deductible:		
Contribution to unapproved gratuity fund	3.23	4.08
Donation	0.19	1.90

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

(Rs. In Lacs)

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
Other Items	75.92	(1.37)
Income subject to different tax rates	-	-
Excess of Accounting Profit over Taxable Profits for Capital Gains		
Effect of different tax rate on Deferred Tax	-	-
Effect of previously unrecognised Unabsorbed Depreciation and losses used to reduce Tax Expense		
Entitlement of Unrecognised MAT Credit arising in the Current year	-	-
Tax effect of profit of current year on which no deferred tax is recognised	-	-
Excess Provision	-	-
Income tax expense	508.35	225.65
Effective tax rate	29.03%	26.24%

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
c) Deferred Tax Asset (Net)		
The balance comprises temporary differences attributable to :		
Deferred Tax Asset:		
Tax losses	-	-
Defined Benefits obligations	-	-
Gratuity	-	-
Leave Encashment	-	-
MAT credit entitlement	-	-
Other Items		
Allowance of Expected Credit Loss on Trade Receivables	-	-
Allowance of doubtful debts - security deposits	-	-
Other	-	-
Total Deferred Tax Assets	-	-
Deferred Tax Liabilities:		
Property Plant and Equipment and Intangible Assets	241.18	5.41
Financial Assets at Fair Value Through Profit and Loss		
Others		
Total Deferred Tax Liabilities	241.18	5.41

Movement in Deferred Tax Assets					
Particulars	Tax losses	Defined Benefits Obligations	MAT Credit Entitlement	Other Items	Total Deferred Tax Assets
As at April 1, 2022	-	-	-	-	-
(Charged)/credited :					
to Profit and loss	-	-	-	-	-
to other comprehensive income	-	-	-	-	-
As at March 31, 2023	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Movement in Deferred Tax Liabilities			
Particulars	Property, Plant and Equipment and Intangible Assets	Financial assets at Fair Value through Profit and Loss	Total Deferred Tax Liabilities
As at April 1, 2022 (Charged)/credited : to Profit and loss to other comprehensive income	241.18 -	- -	241.18 -
As at March 31, 2023	241.18	-	241.18

Note :- 51 Ratios					
Particulars	Numerator	Denominator	31.03.2023	31.03.2022	Variance
Current Ratio (In Times)	Current Assets	Current Liabilities	2.04	2.07	-0.03
Debt -Equity Ratio (In Times)	Total Debt	Shareholder's Equity	0.90	0.78	0.12
Debt Service Coverage Ratio (In Times)	Earnings available for Debit Service	Debt Service	0.31	0.25	0.06
Return on Equity (ROE)	Net Profits after Taxes	Shareholders's Equity	11%	9%	2%
Trade receivables turnover ratio(In Times)	Revenue	Avarage Trade Receivables	3.44	2.00	1.44
Trade payables turnover ratio (In Times)	Purchases and expenses	Average Trade Payable	3.40	2.68	0.72
Net Capital turnover ratio (In Times)	Revenue	Working Capital	2.51	2.87	-0.35
Net Profit ratio	Net Profit	Revenue	3.91%	2.80%	1.11%
Return on capital employed ROCE)	Earning before interest and taxes	Capital Employed	27.80%	19.50%	0.083
Inventory Turnover Ratio (In Times)	Cost of Goods Sold	Cost of Average Inventory	2.51	1.95	0.56

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31/03/2023

Note :- 52 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

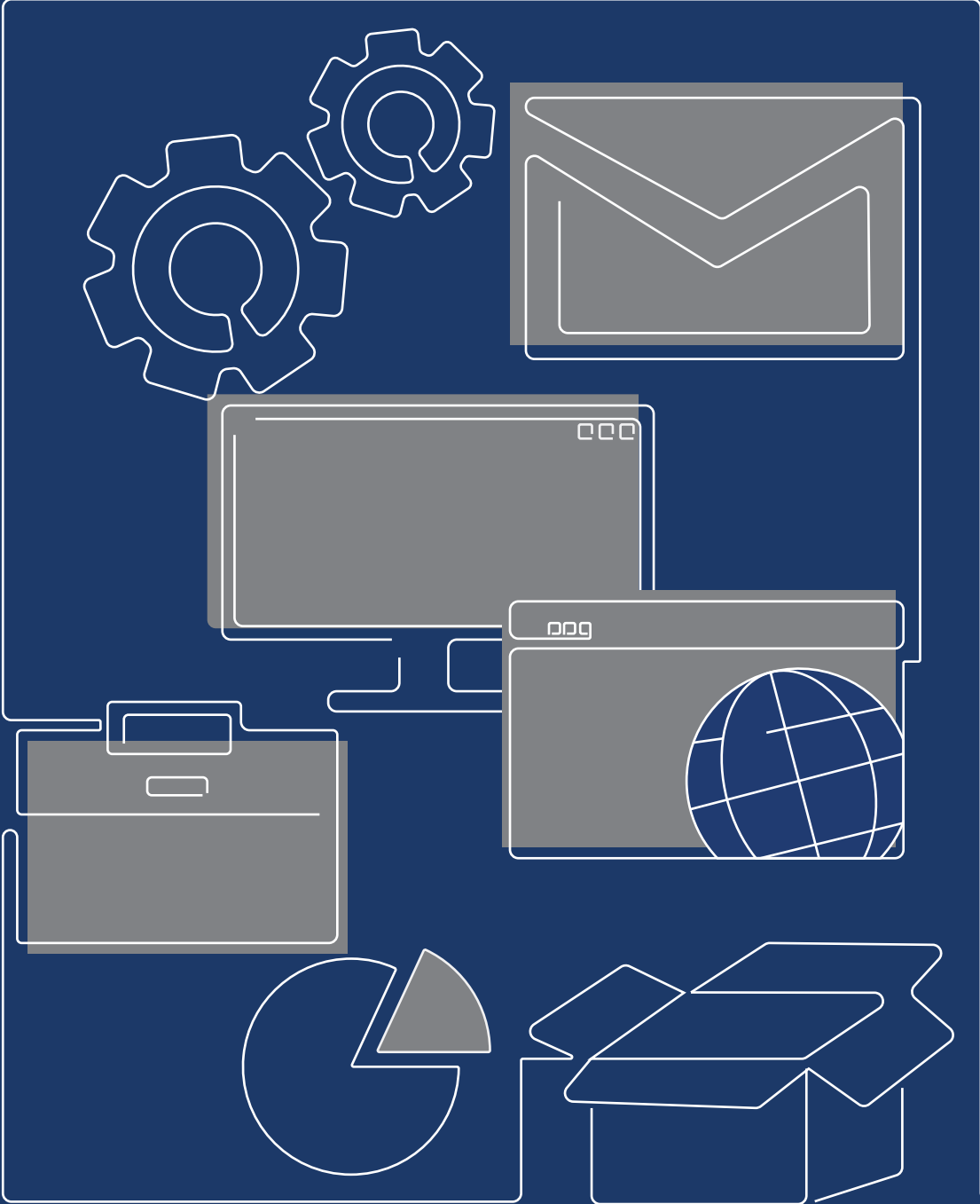
(Rs. In Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
1) Amount required to be spent by the company during the year	9.53	N/A
2) Amount of expenditure incurred	-	N/A
3) Shortfall at the end of the year	9.53	N/A
4) Total of previous years shortfall	-	N/A
5) Reason for shortfall	The suitable project for CSR spending is in process of finalization by the CSR committee and company believes that the required amount will be spent against CSR activities up to September, 2023 and provision for the same has been provided in the books of accounts.	
6) Nature of CSR activities	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects	
7) Details of related party transactions eg. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting standard	NA	NA
8) Where a provision is made with respect to a liability incurred by entering into a contractual obligations, the movements in the provisions	NA	NA

Annexure C to the Auditors Report

STANDALONE BALANCE SHEET FOR THE YEAR ENDED 31 MARCH, 2023

Annexure C to the Auditors Report			
Details of Fixed Assets mortgage against Loan			
Sr. no.	Asset Name	Value in Rs.	Charge Holder
1	Mortgage of Plant & Machinery lying at 2,3,4,14, 15, 16 Zorastrian Industrial Estate, Veeor, Palghar- 401 404.	5,00,00,000	The Saraswat Co-op. Bank Ltd
2	Mortgage of Plant & Machinery lying at 2,3,4,14, 15, 16 Zorastrian Industrial Estate, Veeor, Palghar - 401 404.	2,22,44,800	Siemens Financial Service Pvt Ltd
3	Mortgage of Plant & Machinery lying at 2,3,4,14, 15, 16 Zorastrian Industrial Estate, Veeor, Palghar - 401 404.	1,25,45,789	Cholamandalam Investment & Finance Company Ltd
4	Factory Land & Building located at 14,15, 16 at Zorastrian Industrial Estate, Veeor, Palghar- 401 404.	8,22,00,000	The Saraswat Co-op. Bank Ltd
5	Mortgage of Motor Vehicle	51,79,918	The Saraswat Co-op. Bank Ltd
6	Mortgage of Motor Vehicle	1,40,63,909	HDFC Bank
7	Mortgage of Plant & Machinery lying at 2,3,4,14, 15, 16 Zorastrian Industrial Estate, Veeor, Palghar- 401 404.	61,76,430	Siemens Financial Service Pvt Ltd
8	Cash Credit	28,00,00,000	State bank Of India
9	Stock and Book Debts	34,00,00,000	The Saraswat Co-op. Bank Ltd
10	Colletral Security On 14,15,16 Zorastrin Industrial Estate, Veeor, Palghar- 401404	26,41,00,000	The Saraswat Co-op. Bank Ltd
11	Stock and Book Debts	34,00,00,000	The Saraswat Co-op. Bank Ltd
12	Term Loan	7,50,00,000	The Saraswat Co-op. Bank Ltd



12

**DATA ABOUT COMPANY'S
PRODUCTS AND EXPANSION**

PRODUCT LAUNCHES

Product Launches

Respected Directors of FREDUN PHARMACEUTICALS LIMITED - Mrs. (Dr.) Daulat Medhora and Mr. Fredun Medhora has been granted a Patent for an invention entitled **“DEPROTINIZED BIOCOMPATIBLE MICROCRYSTALLINE HYDROXYAPATITE COMPLEX AND METHOD OF PREPARING THE SAME”** for a period of 20 Years valid from 6th February 2022.

Fredun Pharmaceuticals Limited became the first company from India to have launch the said patented product in India in the sector of Dental grafting.

Product Registrations

Adherence to the global standards of quality and compliance is one of the milestones of Fredun Pharmaceuticals Limited success.

Our product portfolio spans Generics as well as drugs in the Anti-Bacterial, Anti-Malarial, Anti-Diabetic, Anthelmintic, Anti-histamines/Antiallergic, Antacid/Antiulcer/Antiemetic, Analgesics/NSAID, Antifungal, Anticoagulants, Anti Inflammatory, Anti-hypertensive, Antiviral, Anti-retroviral/Anti-HIV, Anticonvulsants/Anti-Epileptic, Antidiarrheal, Diuretic, Cardiovascular, Laxative, Impotence Drugs, Anti-Obesity, Appetite Stimulant with Multivitamins/Multivitamins and Multimineral, Bone Modulating Drugs, Alpha-Blocker, Psychotropics/Anti-Psychotics, Nephrology, Angiotensin-converting Enzyme (ACE) Inhibitors, Bronchodilators & Anti-Asthma Drugs, Antidepressant, Antispasmodic, Antifibrinolytic Drugs, Anti Vertigo, Calcium Tablets, Farnesoid X-Receptor Agonist, Dietary Supplement, Anti Thyroid, Hand Sanitizer, Cosmetics, Ayurvedic and various other key therapeutic segments.

With an ethical portfolio, we have established our presence in the home markets of India, as well as overseas and other emerging markets.

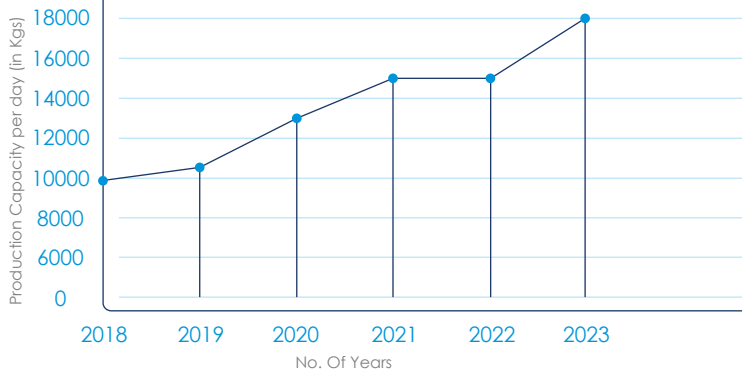
With Comparison to 372 Product registrations of the financial year 2022-2023, 143 Products got registered in the current financial year 2022-2023 leading to total registrations of 515 Products.

With Comparison to 702 Product which were under registrations for the financial year 2022-2023, 227 more Products got added for registrations in the current financial year 2022-2023 leading to total under registrations of 929 Products.

With Comparison to 149 Product which were under provisional registrations for the financial year 2022-2023, 44 Products were added for registrations in the current financial year 2022-2023 leading to total provisional registrations of 105 Products.

PRODUCTION CAPACITY

TABLETS (GRANULATION)



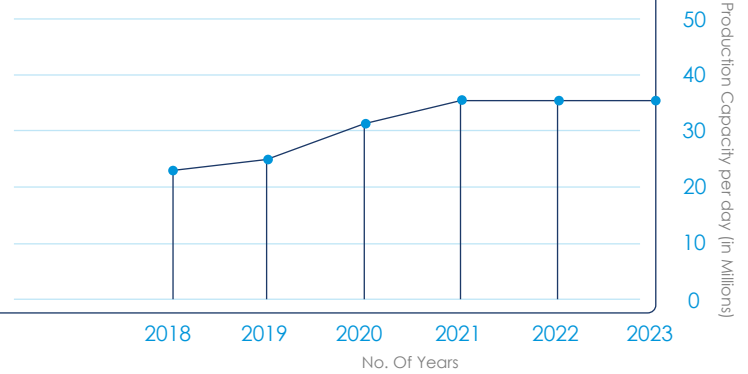
Granulation Capacity per day (in kgs)

Years	Capacity (in bottles)
2018	9800
2019	10500
2020	13000
2021	15000
2022	15000
2023	18000

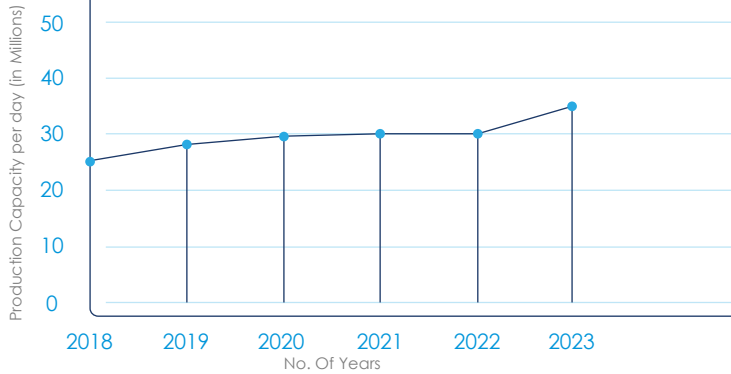
Compression Capacity per day (in Millions)

Years	Capacity (in millions)
2018	23.0
2019	25.0
2020	32.0
2021	35.0
2022	35.0
2023	35.0

TABLETS (COMPRESSION)



TABLETS (COATING)



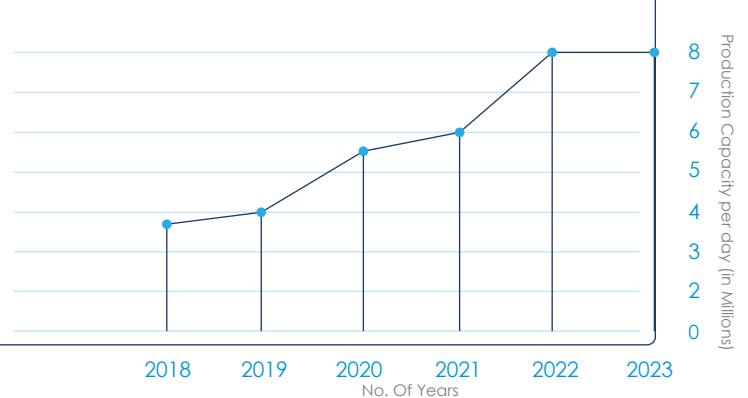
Coating Capacity per day (in Millions)

Years	Capacity (in millions)
2018	25.0
2019	27.0
2020	29.0
2021	30.0
2022	30.0
2023	35.0

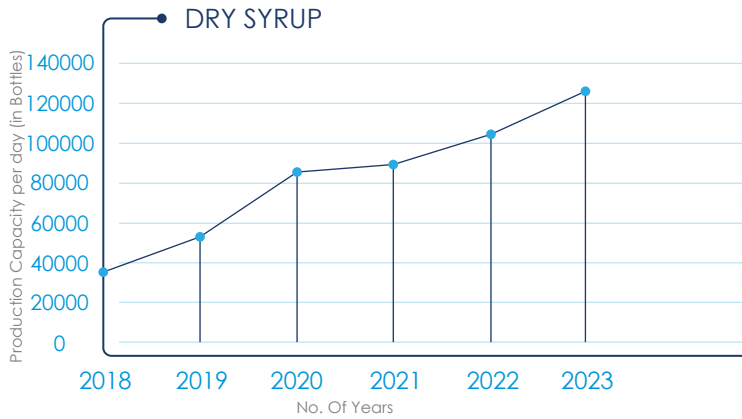
Cpsule Capacity per day (in Millions)

Years	Capacity (in Millions)
2018	3.8
2019	4.0
2020	5.5
2021	6.0
2022	8.0
2023	8.0

CAPSULES



PRODUCTION CAPACITY

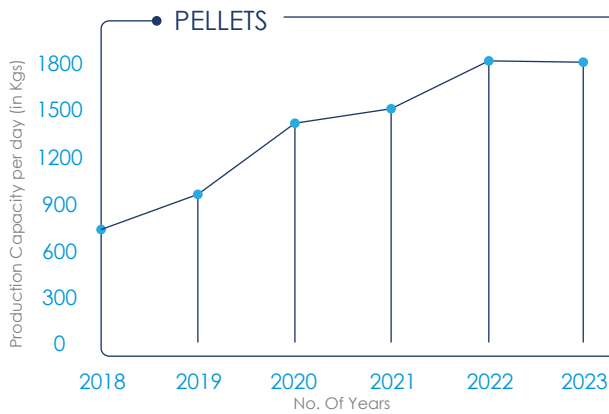
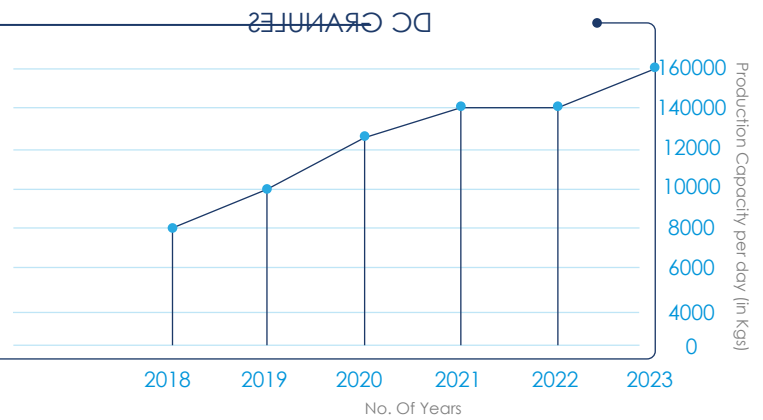


Dry Syrup Capacity per day (in Bottles)

Years	Capacity (in Bottles)
2018	35000
2019	50000
2020	85000
2021	90000
2022	110000
2023	125000

DC Granulation Capacity per day (in Kgs)

Years	Capacity (in Kgs)
2018	8000
2019	10000
2020	12500
2021	14000
2022	14000
2023	16000

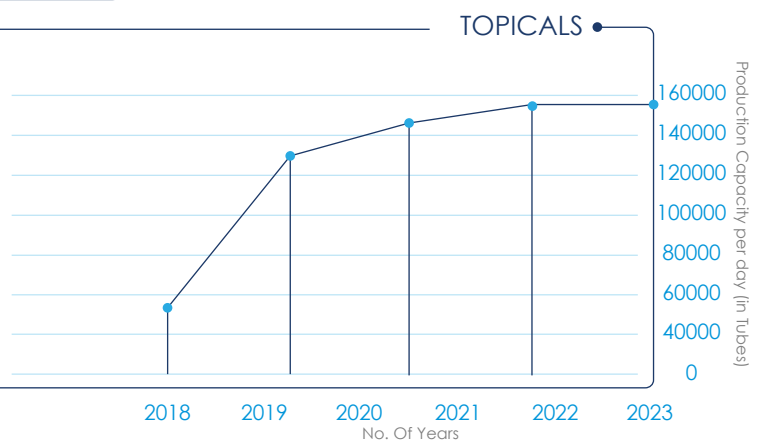


Pellets Capacity per day (in Kgs)

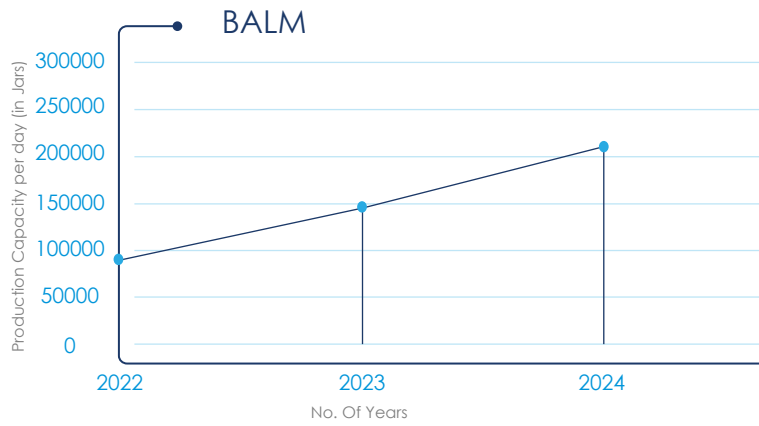
Years	Capacity (in kgs)
2018	750
2019	1000
2020	1400
2021	1500
2022	1800
2023	1800

Topicals Capacity per day (In Tubes)

Years	Capacity (In Tubes)
2019	55000
2020	130000
2021	145000
2022	154000
2023	155000



PRODUCTION CAPACITY

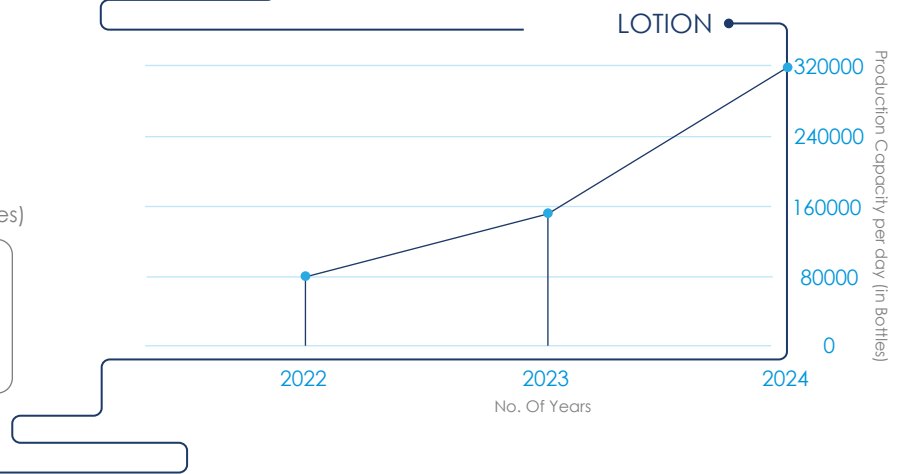


Balm Capacity per day (in Jars)

Years	Capacity (in Jars)
2022	86000
2023	145000
2024	220000(Projected)

Lotion Capacity per day (in Bottles)

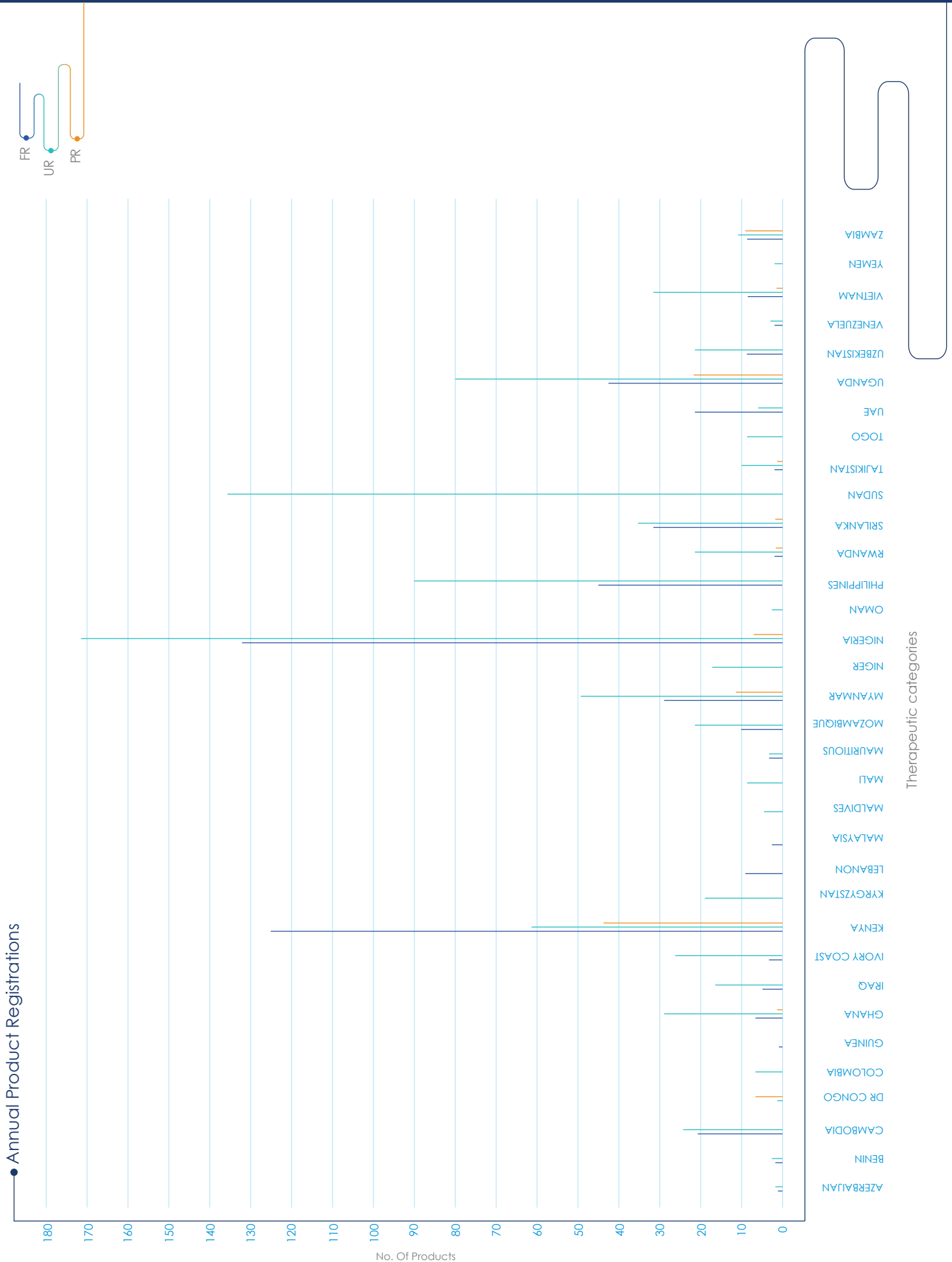
Years	Capacity (in Bottles)
2022	80000
2023	152000
2024	318000(Projected)



CATEGORY OF ANNUAL PRODUCT REGISTRATIONS

Category		FR	UR	PR
1.	AZERBAIJAN	1	3	--
2.	BENIN	3	5	--
3.	CAMBODIA	21	24	--
4.	DR CONGO	--	2	6
5.	COLOMBIA	--	6	--
6.	GUINEA	--	1	--
7.	GHANA	6	28	2
8.	IRAQ	4	15	--
9.	IVORY COAST	3	26	--
10.	KENYA	124	61	43
11.	KYRGYZSTAN	--	18	--
12.	LEBANON	8	--	--
13.	MALAYSIA	2	--	--
14.	MALDIVES	--	4	--
15.	MALI	--	8	--
16.	MAURITIUS	3	3	--
17.	MOZAMBIQUE	10	22	--
18.	MYANMAR	27	59	12
19.	NIGER	--	17	--
20.	NIGERIA	132	172	6
21.	OMAN	--	2	--
22.	PHILIPPINES	46	90	--
23.	RWANDA	3	21	2
24.	SRILANKA	32	34	2
20.	SUDAN	--	135	--
21.	TAJIKISTAN	2	10	1
22.	TOGO	--	8	--
23.	UAE	23	5	--
24.	UGANDA	42	80	22
21.	UZBEKISTAN	7	23	--
22.	VENEZUELA	2	3	--
23.	VIETNAM	7	31	1
24.	YEMEN	--	2	--
24.	ZAMBIA	7	11	8
TOTAL		515	929	105

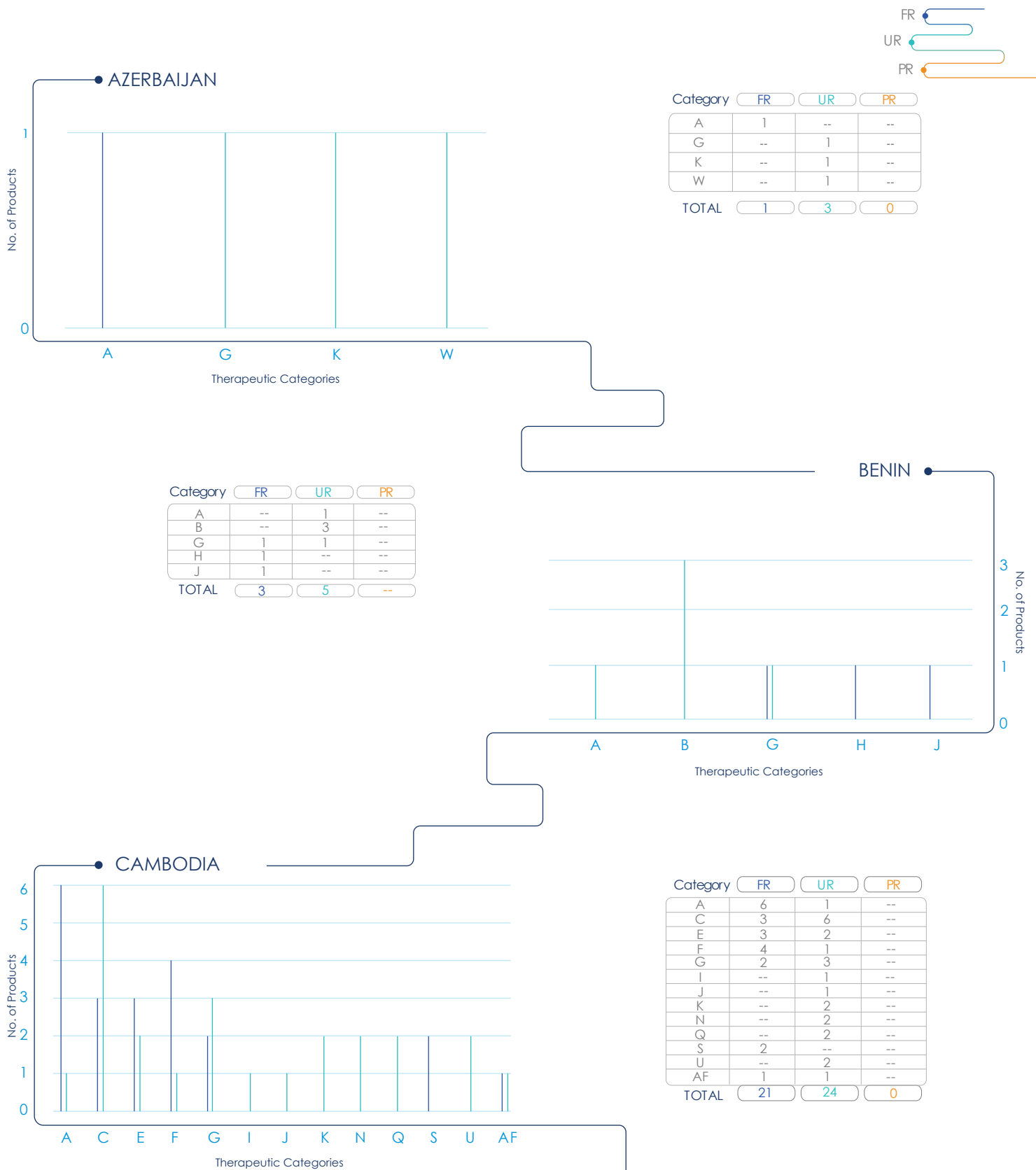
ANNUAL PRODUCT REGISTRATIONS



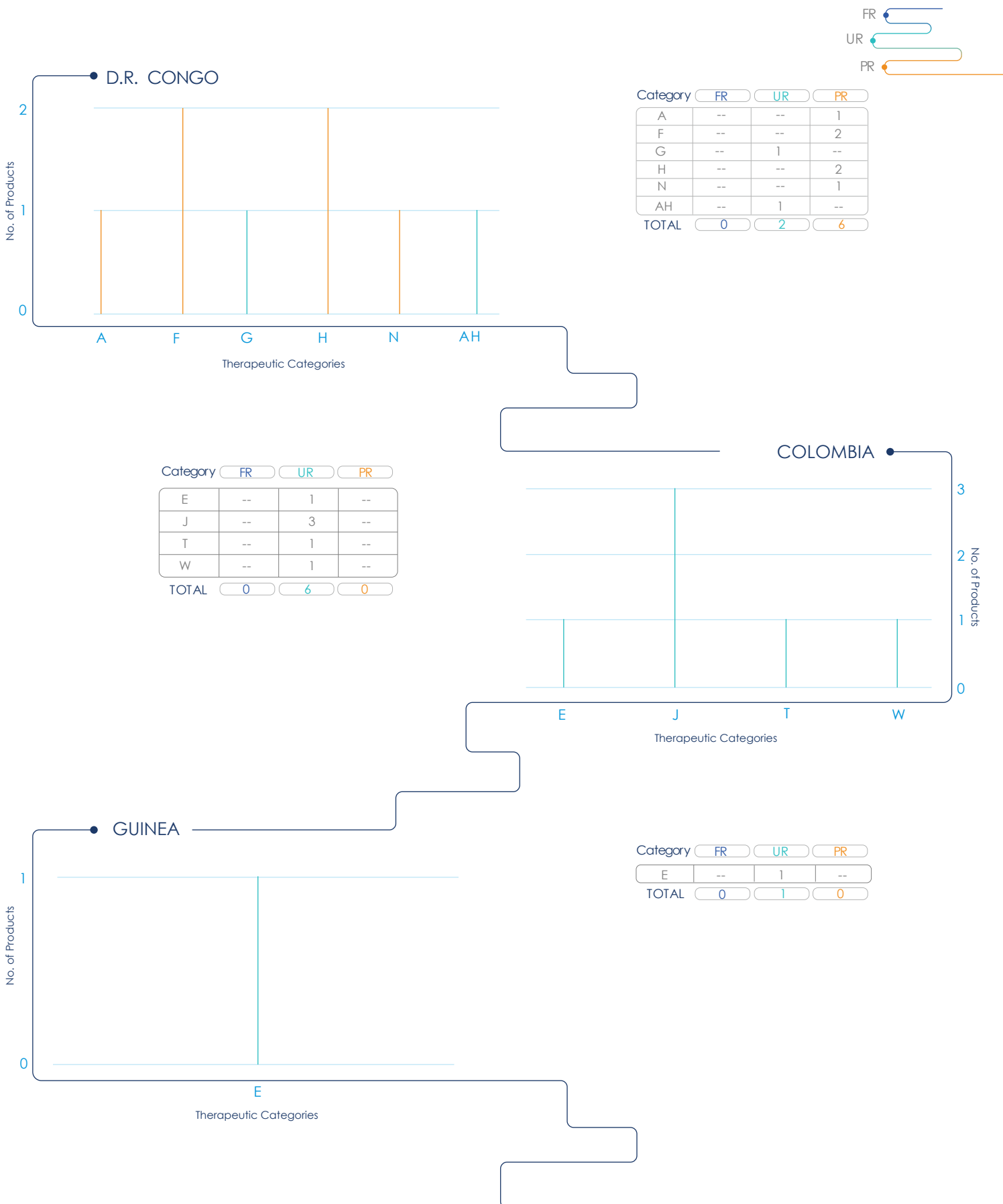
CATEGORY

A	1.	ANTI-BACTERIAL	T	20.	ANTI OBESITY
B	2.	ANTI-MALARIAL	U	21.	APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS
C	3.	ANTI-DIABETIC	V	22.	BONE MODULATING DRUGS
D	4.	ANTHELMINTIC	W	23.	ALPHA-BLOCKER
E	5.	ANTIHISTAMINES / ANTIALLERGIC	X	24.	PSYCHOTROPICS/ ANTI- PSYCHOTICS
F	6.	ANTACID / ANTIULCER / ANTIEMETIC	Y	25.	NEPHROLOGY
G	7.	ANALGESICS / NSAID	Z	26.	ANGIOTENSIN-CONVERTING ENZYME (ACE) INHIBITORS
H	8.	ANTIFUNGAL	AA	27.	BRONCHODILATORS & ANTI -ASTHMA DRUGS
I	9.	ANTICOAGULANTS	AB	28.	ANTIDEPRESSANT
J	10.	ANTI INFLAMATORY	AC	29.	ANTISPASMODIC
K	11.	ANTIHYPERTENSIVE	AD	30.	ANTIFIBRINOLYTIC DRUGS
L	12.	ANTIVIRAL	AE	31.	ANTI VERTIGO
M	13.	ANTI-RETROVIRAL / ANTI HIV	AF	32.	CALCIUM TABLETS
N	14.	ANTICONVULSANTS/ANTI-EPILEPTIC	AG	33.	FARNESOID X-RECEPTOR AGONIST
O	15.	ANTIDIARRHOEAL	AH	34.	DIETARY SUPPLYMENT
P	16.	DIURETIC	AI	35.	ANTI THYROID
Q	17.	CARDIOVASCULAR	AJ	36.	HAND SANITIZER
R	18.	LAXATIVE	AK	37.	COSMETICS
S	19.	IMPOTENCE DRUGS	AL	38.	AYURVEDIC

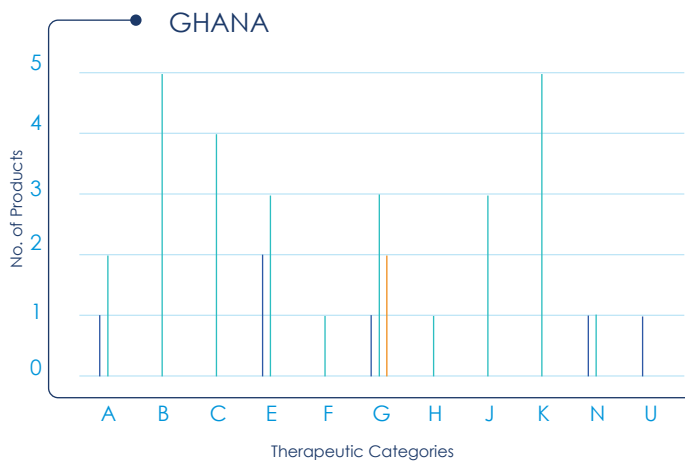
Annual Product Registration



Annual Product Registration

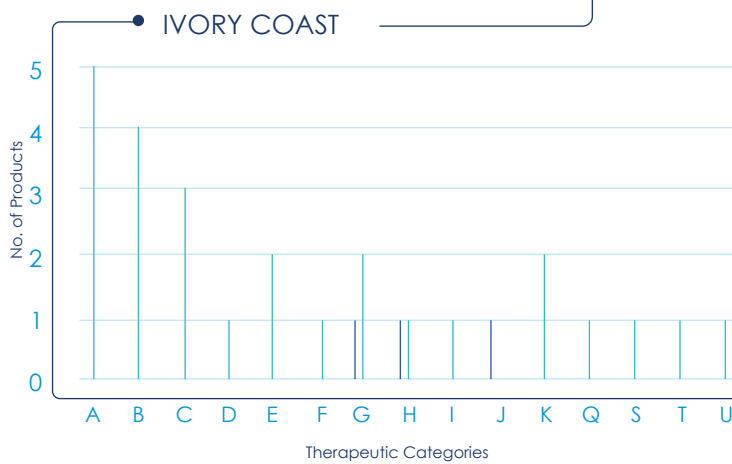


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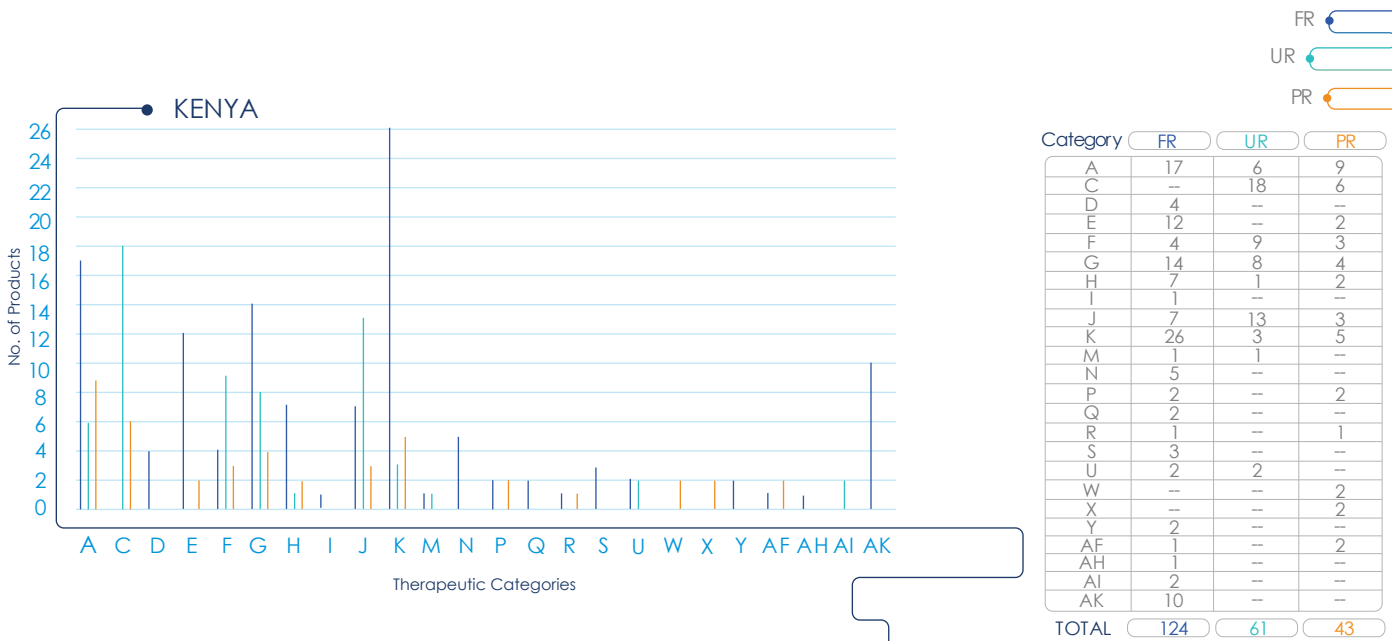
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B	--	5	--
C	--	4	--
E	2	3	--
F	--	1	--
G	1	3	2
H	--	1	--
J	--	3	--
K	--	5	--
N	1	1	--
U	1	--	--
TOTAL	6	28	2

Category	FR	UR	PR
A	2	5	--
F	--	4	--
G	1	3	--
H	1	--	--
N	--	1	--
U	--	2	--
TOTAL	4	15	--

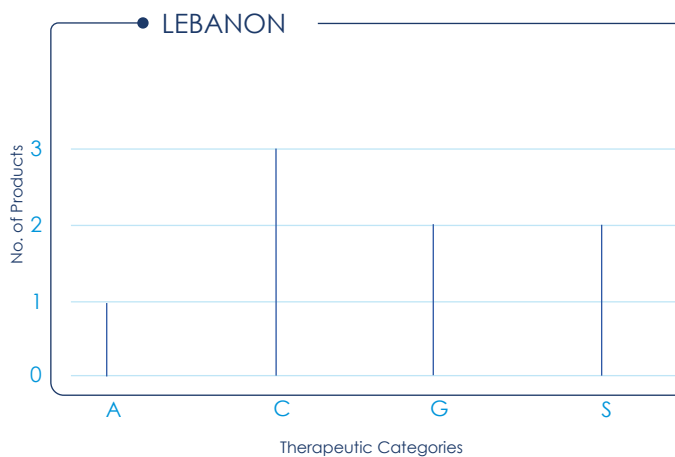
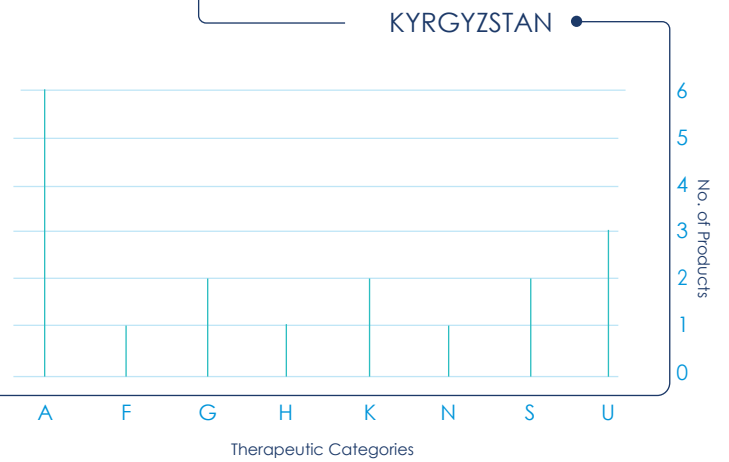


Category	FR	UR	PR
A	--	5	--
B	--	4	--
C	--	3	--
D	--	1	--
E	--	2	--
F	--	1	--
G	1	2	--
H	1	1	--
I	--	1	--
J	1	--	--
K	--	2	--
Q	--	1	--
S	--	1	--
T	--	1	--
U	--	1	--
TOTAL	3	26	0

Annual Product Registration

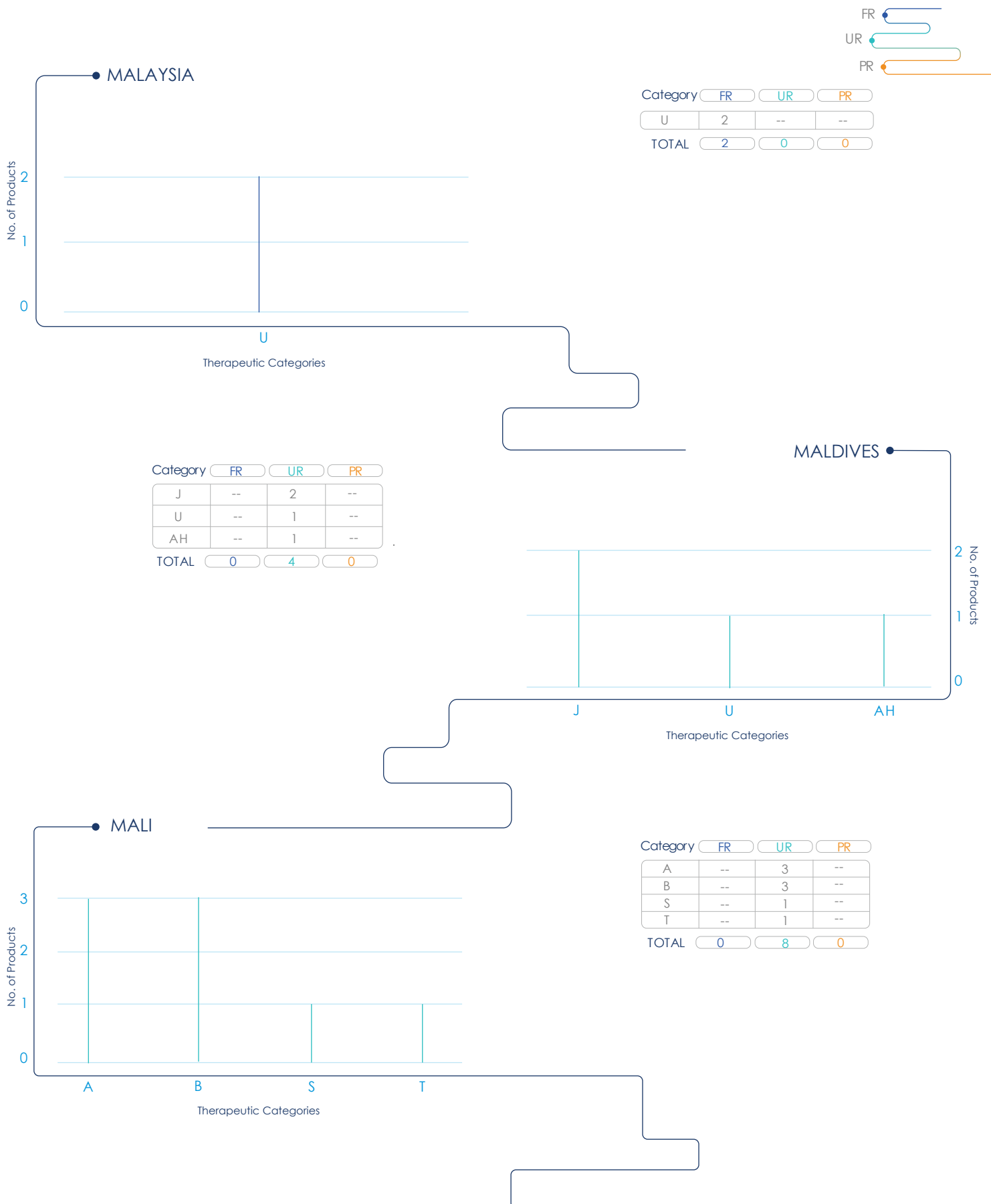


Category	FR	UR	PR
A	--	6	--
F	--	1	--
G	--	2	--
H	--	1	--
K	--	2	--
N	--	1	--
S	--	2	--
U	--	3	--
TOTAL	0	18	0

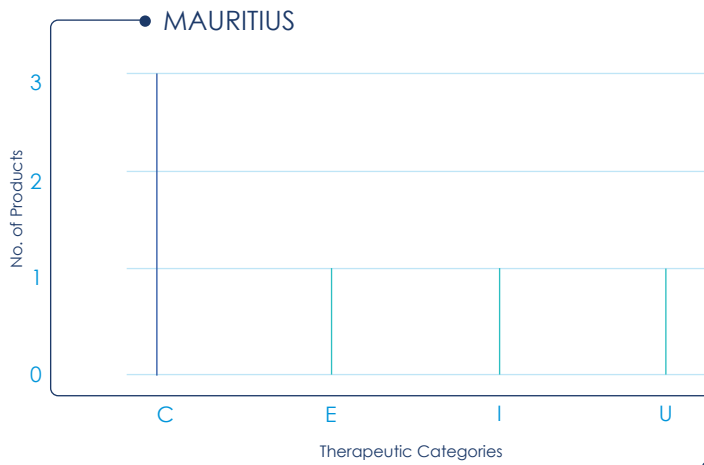


Category	FR	UR	PR
A	1	--	--
C	3	--	--
G	2	--	--
S	2	--	--
TOTAL	8	0	0

Annual Product Registration

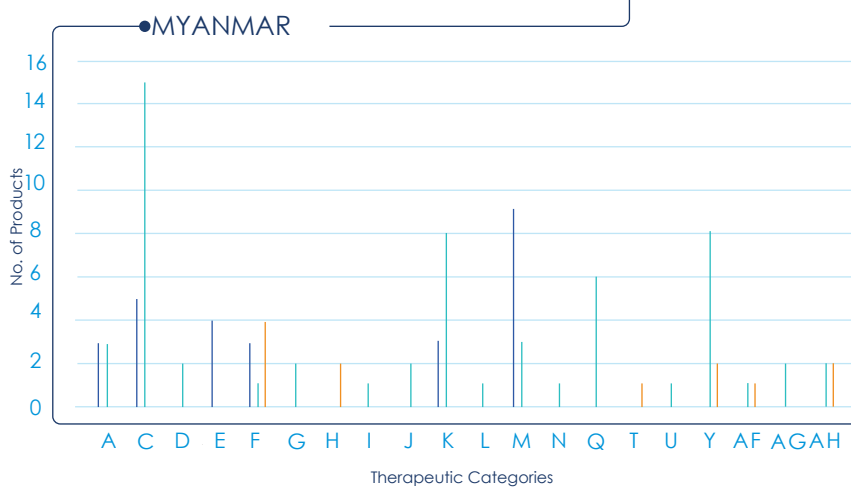
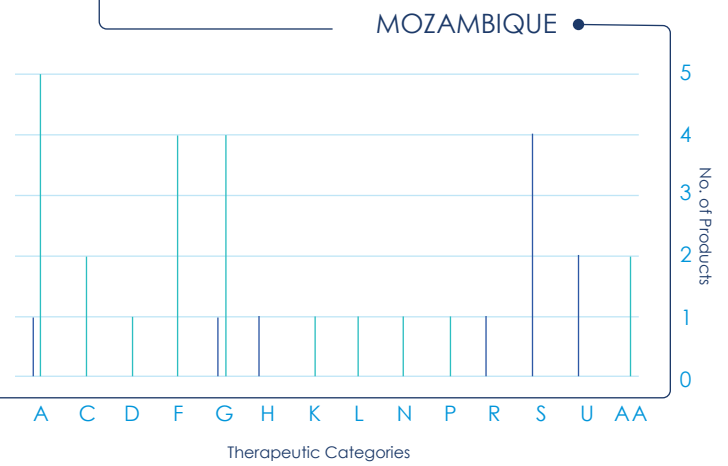


Annual Product Registration



Category	FR	UR	PR
C	3	--	--
E	--	1	--
I	--	1	--
U	--	1	--
TOTAL	3	3	0

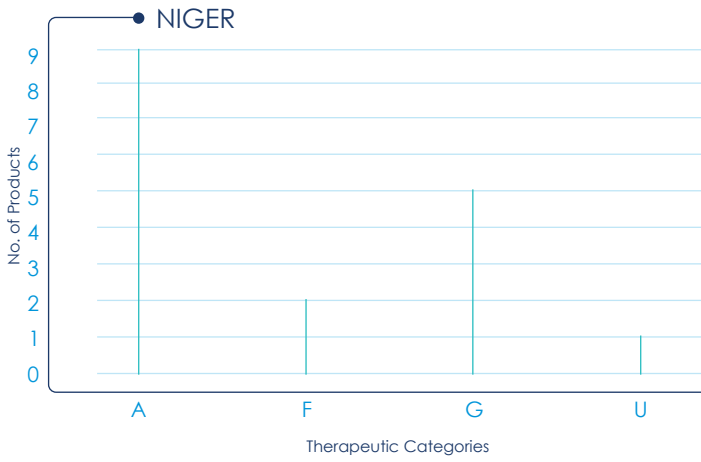
Category	FR	UR	PR
A	1	5	--
C	--	2	--
D	--	1	--
F	--	4	--
G	1	4	--
H	1	--	--
K	--	1	--
L	--	1	--
N	--	1	--
P	--	1	--
R	1	--	--
S	4	--	--
U	2	--	--
AA	--	2	--
TOTAL	10	22	0



Category	FR	UR	PR
A	3	3	--
C	5	15	--
D	--	2	--
E	4	--	--
F	3	1	4
G	--	2	--
H	--	--	2
I	--	1	--
J	--	2	--
K	3	8	--
L	--	1	--
M	9	3	--
N	--	1	--
Q	--	6	--
T	--	--	1
U	--	1	--
Y	--	8	2
AF	--	1	1
AG	--	2	--
AH	--	2	2
TOTAL	27	59	12

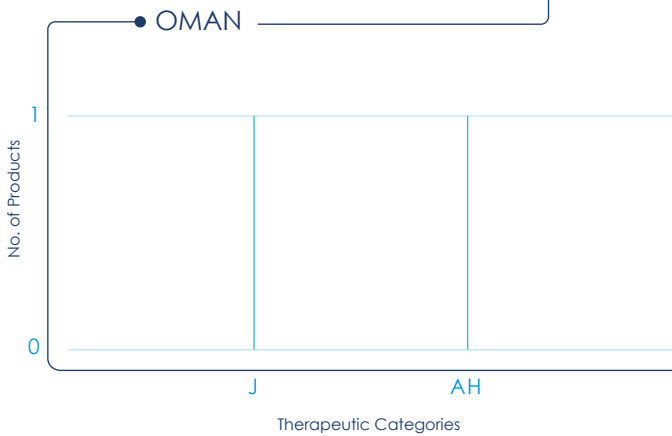
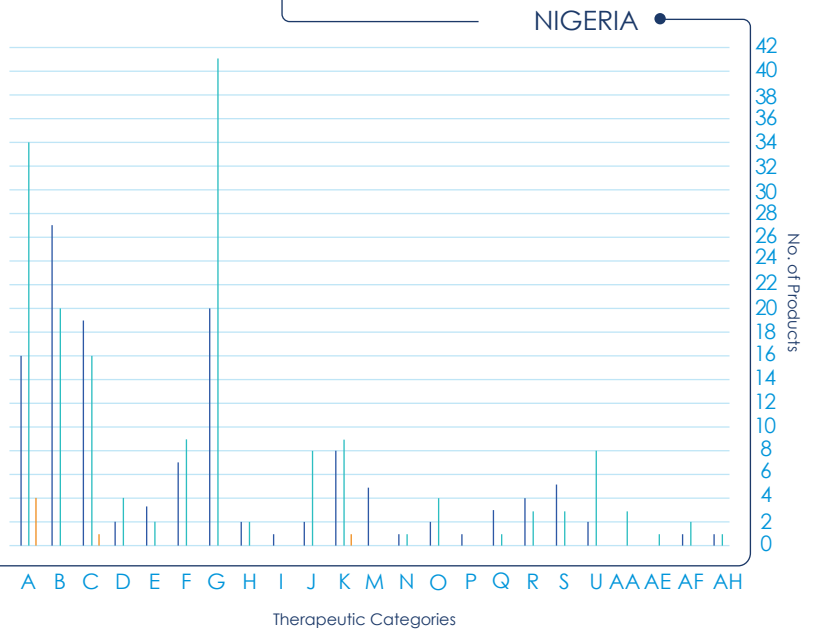
Annual Product Registration

FR
UR
PR



Category	FR	UR	PR
A	--	9	--
F	--	2	--
G	--	5	--
U	--	1	--
TOTAL	0	17	0

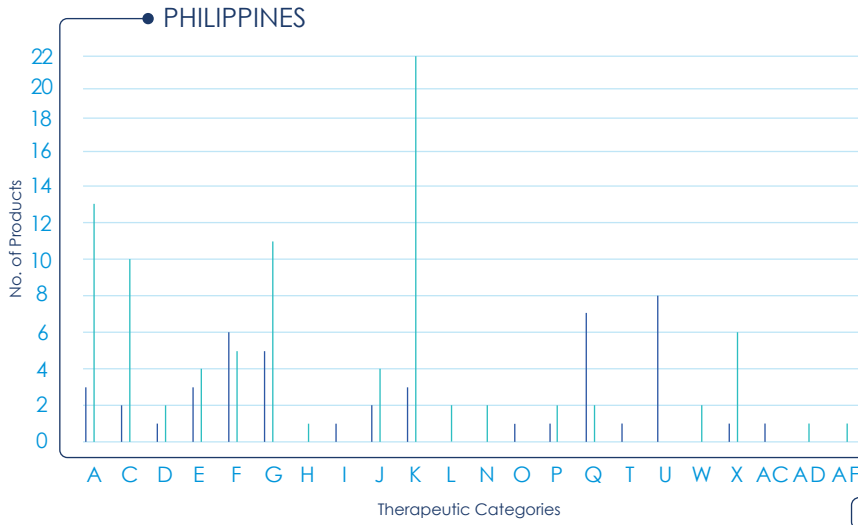
Category	FR	UR	PR
A	16	34	4
B	27	20	--
C	19	16	1
D	2	4	--
E	3	2	--
F	7	9	--
G	20	41	--
H	2	2	--
I	1	--	--
J	2	8	--
K	8	9	1
M	5	--	--
N	1	1	--
O	2	4	--
P	1	--	--
Q	3	1	--
R	4	3	--
S	5	3	--
U	2	8	--
AA	--	3	--
AE	--	1	--
AF	1	2	--
AH	1	1	--
TOTAL	132	172	6



Category	FR	UR	PR
J	--	1	--
AH	--	1	--
TOTAL	0	2	0

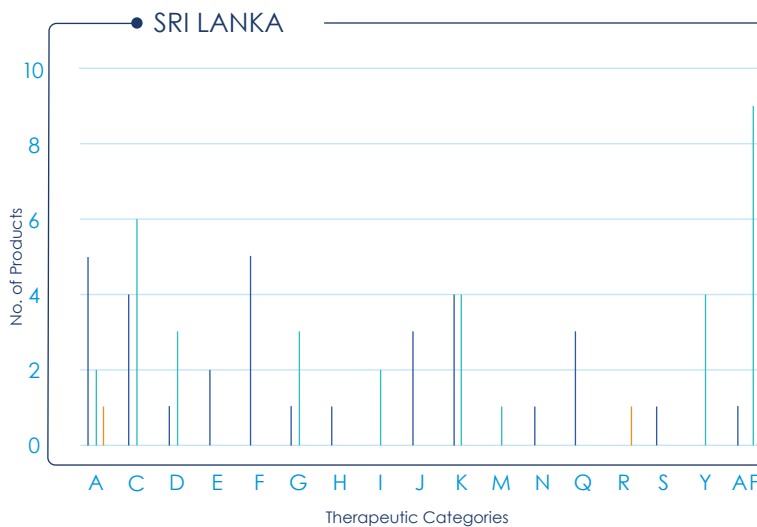
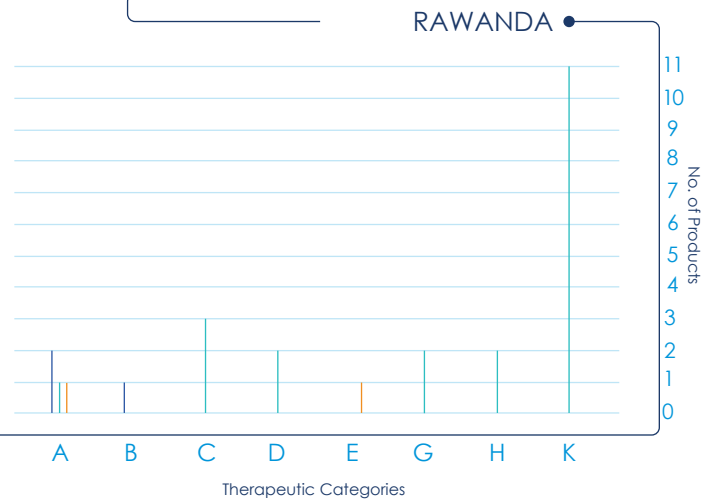
Annual Product Registration

FR
UR
PR



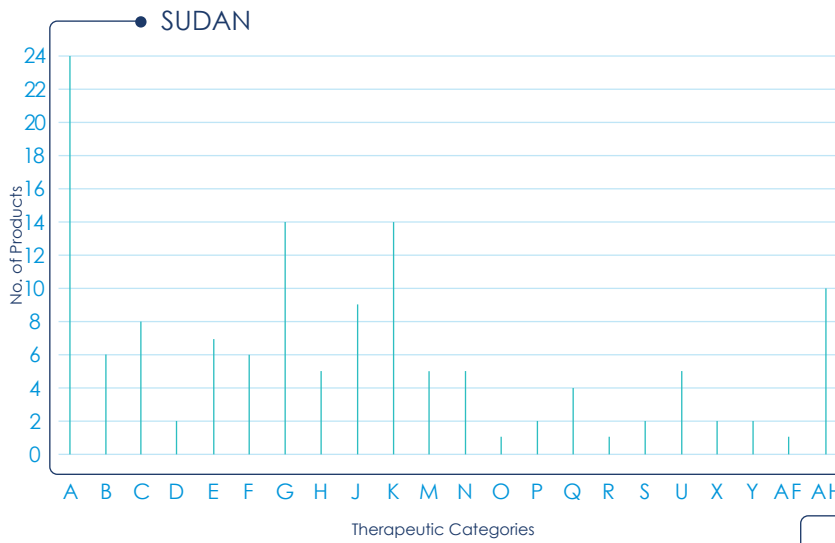
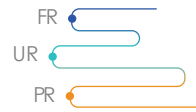
Category	FR	UR	PR
A	3	13	--
C	2	10	--
D	1	2	--
E	3	4	--
F	6	5	--
G	5	11	--
H	--	1	--
I	1	--	--
J	2	4	--
K	3	22	--
L	--	2	--
N	--	2	--
O	1	--	--
P	1	2	--
Q	7	2	--
T	1	--	--
U	8	--	--
W	--	2	--
X	1	6	--
AC	1	--	--
AD	--	1	--
AF	--	1	--
TOTAL	46	90	0

Category	FR	UR	PR
A	2	1	1
B	1	--	--
C	--	3	--
D	--	2	--
E	--	--	1
G	--	2	--
H	--	2	--
K	--	11	--
TOTAL	3	21	2



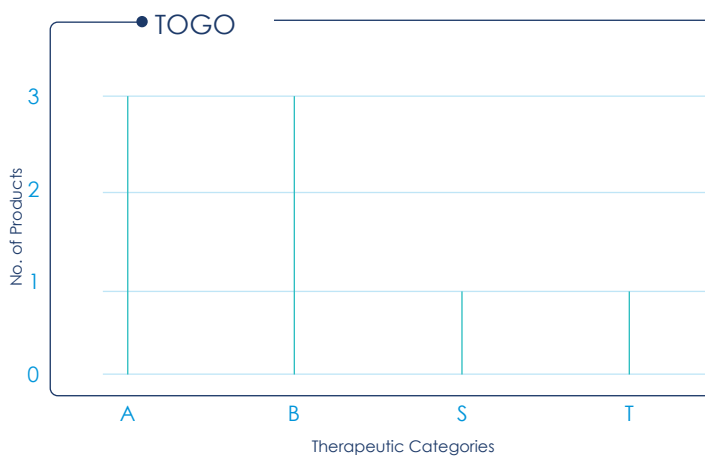
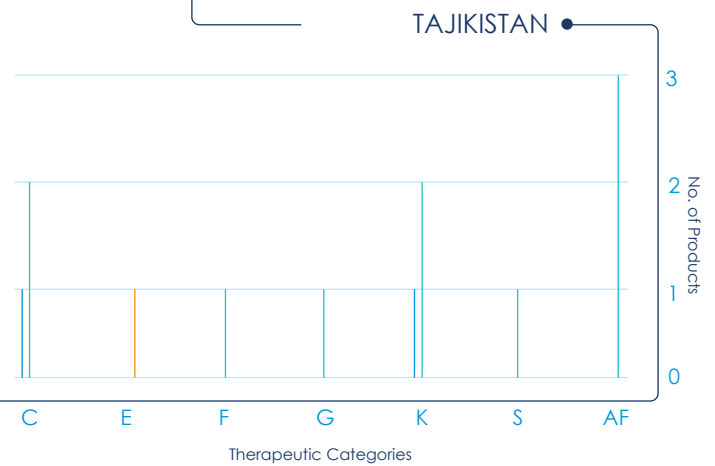
Category	FR	UR	PR
A	5	2	1
C	4	6	--
D	1	3	--
E	2	--	--
F	5	--	--
G	1	3	--
H	1	--	--
I	--	2	--
J	3	--	--
K	4	4	--
M	--	1	--
N	1	--	--
Q	3	--	--
R	--	--	1
S	1	--	--
Y	--	4	--
AF	1	9	--
TOTAL	32	34	2

Annual Product Registration



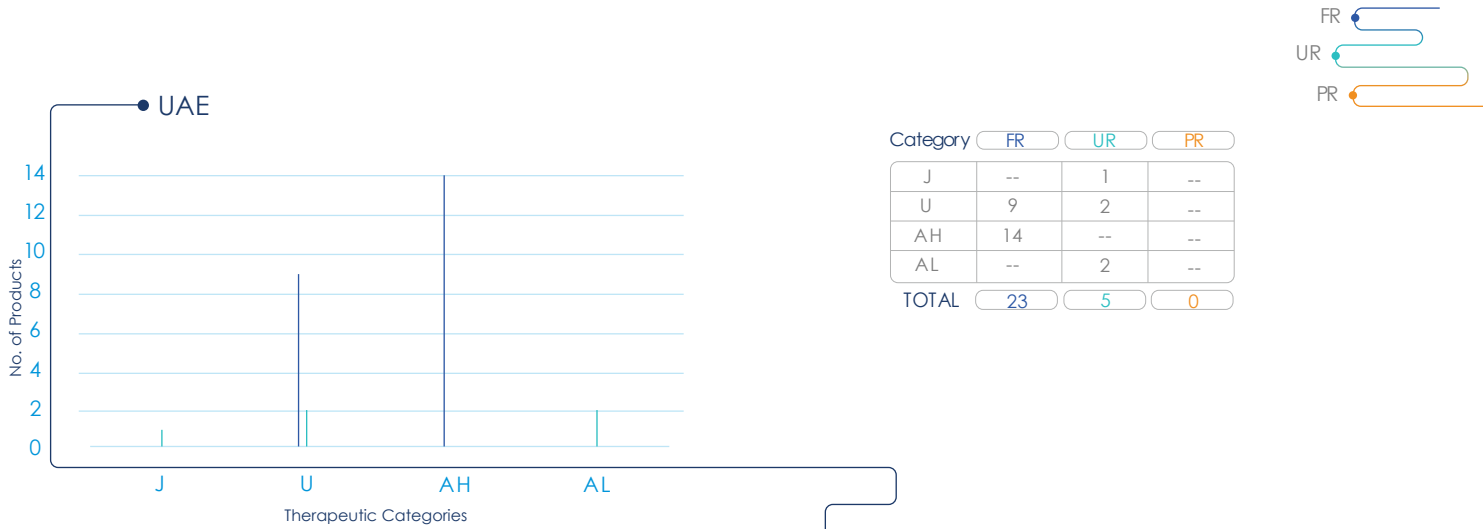
Category	FR	UR	PR
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B	--	6	--
C	--	8	--
D	--	2	--
E	--	7	--
F	--	6	--
G	--	14	--
H	--	5	--
J	--	9	--
K	--	14	--
M	--	5	--
N	--	5	--
O	--	1	--
P	--	2	--
Q	--	4	--
R	--	1	--
S	--	2	--
U	--	5	--
X	--	2	--
Y	--	2	--
AF	--	1	--
AH	--	10	--
TOTAL	--	135	--

Category	FR	UR	PR
C	1	2	--
E	--	--	1
F	--	1	--
G	--	1	--
K	1	2	--
S	--	1	--
AF	--	3	--
TOTAL	2	10	1

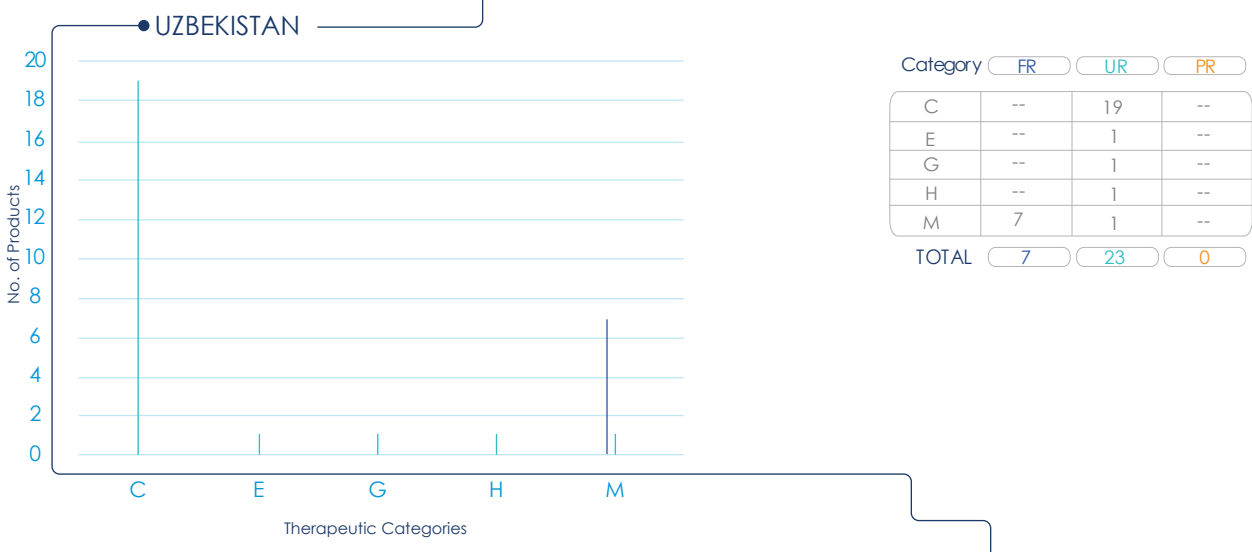
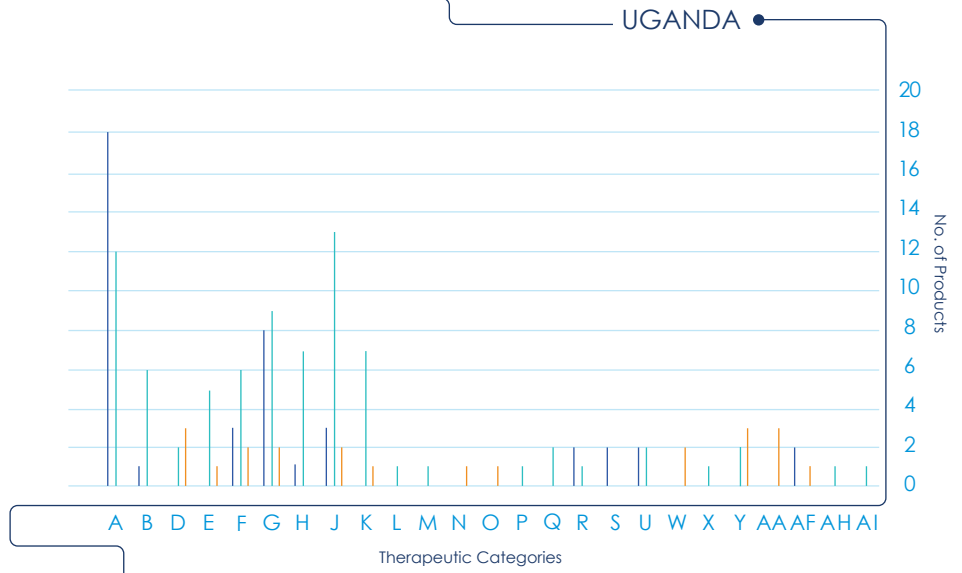


Category	FR	UR	PR
A	--	3	--
B	--	3	--
S	--	1	--
T	--	1	--
TOTAL	0	8	0

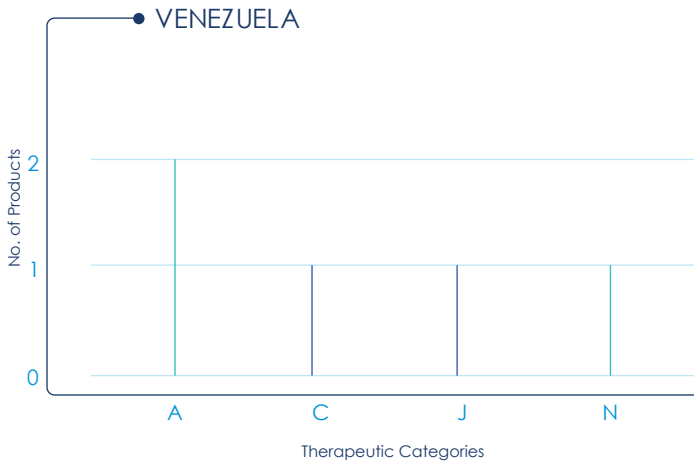
Annual Product Registration



Category	FR	UR	PR
A	18	12	--
B	1	6	--
D	--	2	3
E	--	5	1
F	3	6	2
G	8	9	2
H	1	7	--
J	3	13	2
K	--	7	1
L	--	1	--
M	--	1	--
N	--	--	1
O	--	--	1
P	--	1	--
Q	--	2	--
R	2	1	--
S	2	--	--
U	2	2	--
W	--	--	2
X	--	1	--
Y	--	2	3
AA	--	--	3
AF	2	--	1
AH	--	1	--
AI	--	1	--
TOTAL	42	80	22

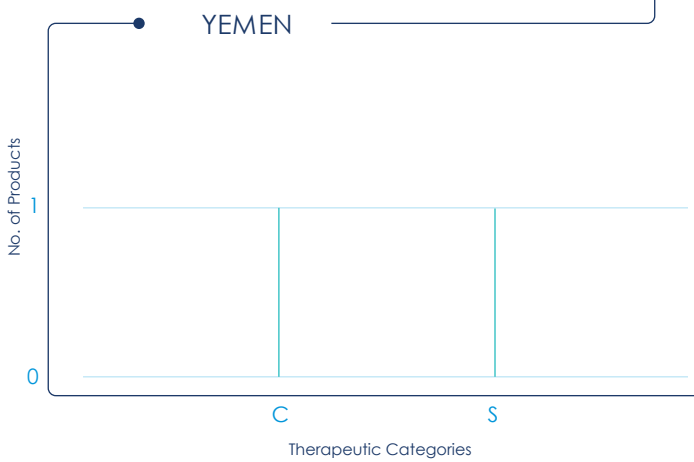
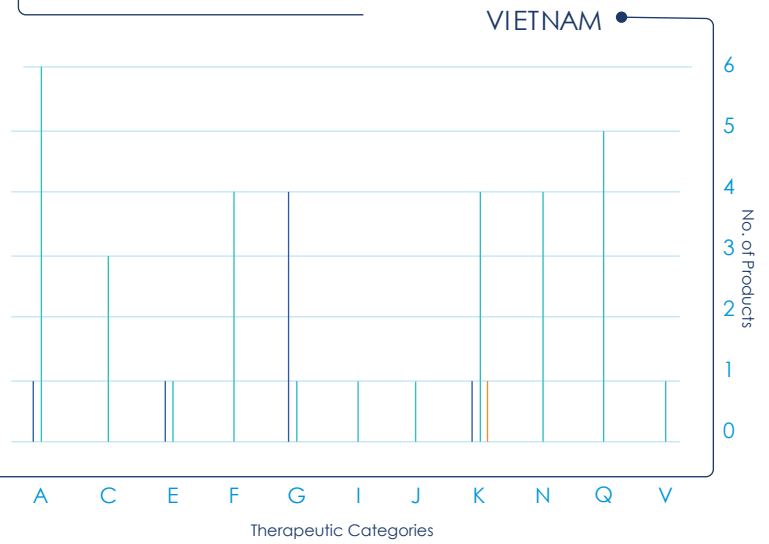


Annual Product Registration



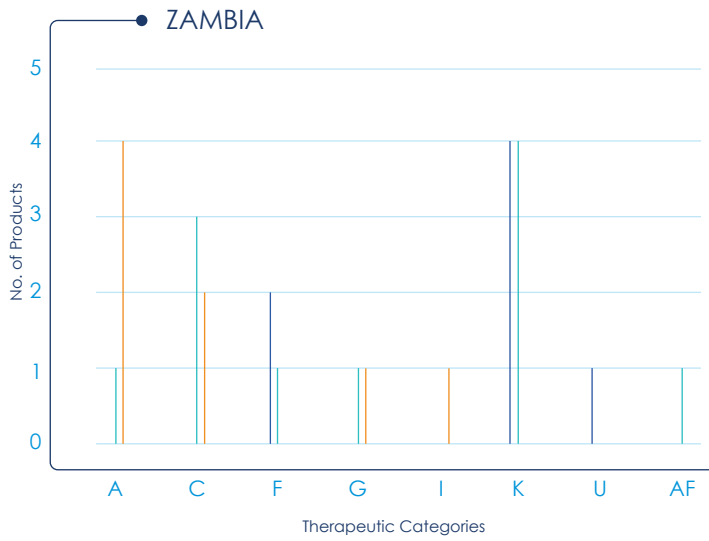
Category	FR	UR	PR
A	--	2	--
C	1	--	--
J	1	--	--
N	--	1	--
TOTAL	2	3	0

Category	FR	UR	PR
A	1	6	--
C	--	3	--
E	1	1	--
F	--	4	--
G	4	1	--
I	--	1	--
J	--	1	--
K	1	4	1
N	--	4	--
Q	--	5	--
V	--	1	--
TOTAL	7	31	1



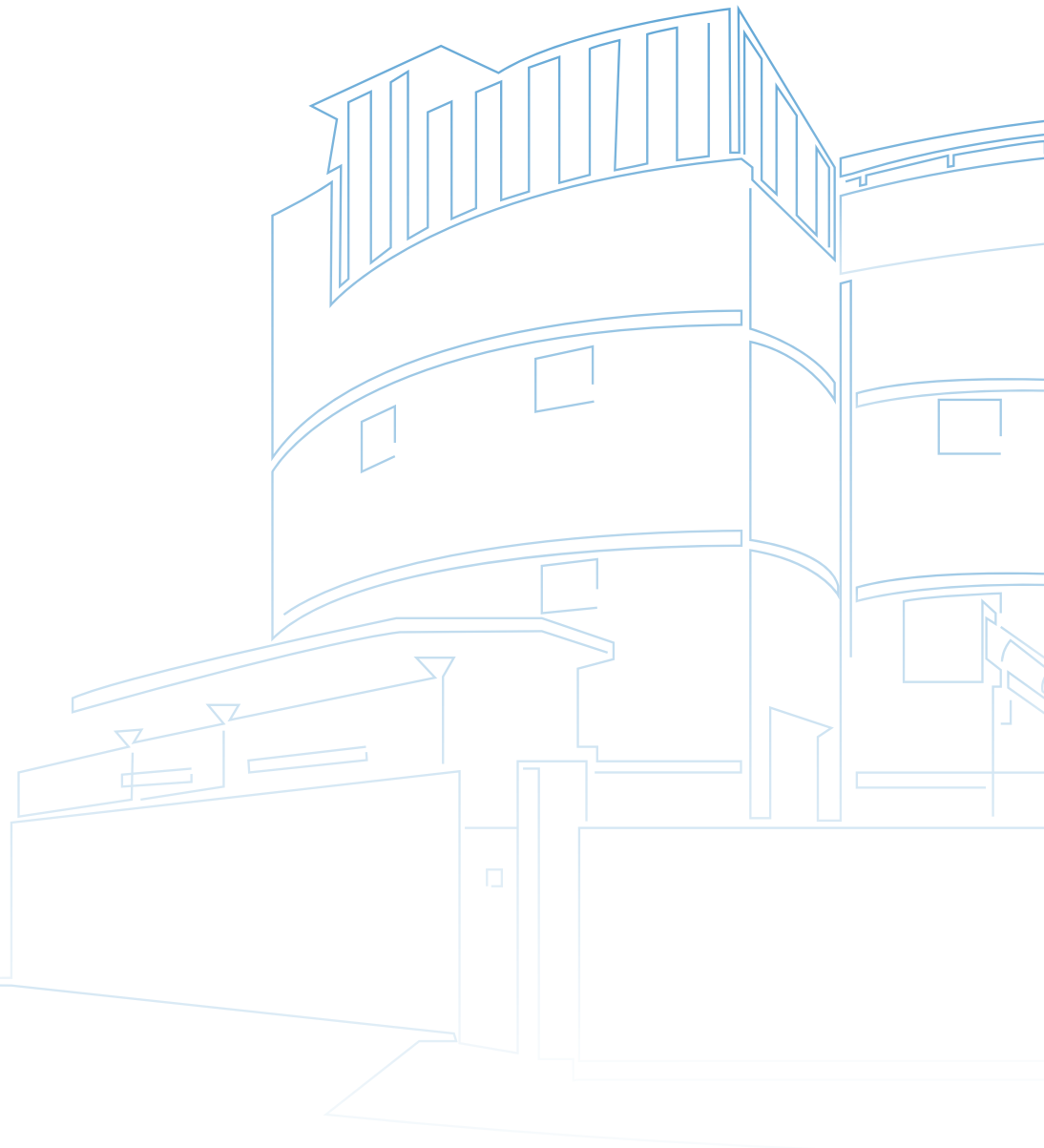
Category	FR	UR	PR
C	--	1	--
S	--	1	--
TOTAL	0	2	0

Annual Product Registration



Category	FR	UR	PR
A	–	1	4
C	–	3	2
F	2	1	–
G	–	1	1
I	–	–	1
K	4	4	–
U	1	–	–
AF	–	1	–
TOTAL	7	11	8

BOOK-POST



If undelivered please return to:

FREDUN PHARMACEUTICALS LIMITED

URMI ESTATE, Tower A, 11th Floor, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai 400 013.(INDIA)

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