

**Date:** 12<sup>th</sup> June, 2023

To,  
BSE Limited  
Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai – 400 001

Dear Sir / Madam,

**Subject: Submission of Revised Annual Report for Financial Year 2021-22**  
**Ref: Security Id: EARUM / Code: 542724**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Revised Annual Report for Financial Year 2021-22 due to discrepancy related to typographical error in the Cashflow Statement and CARO report added in the Audit report.

Further this is inform you that we were already submitted Annual Report for the Financial Year 2021-22, for the rectification the discrepancy we are submitting this revised Annual Report.

There are no change in Annual Report other than Cashflow Statement and CARO Report.

Kindly take this revised Annual Report on your record and oblige us.

Thanking You.

**For, Earum Pharmaceutical Limited**

**Bhumishth Patel**  
**Director**  
**DIN: 02516641**

**EARUM PHARMACEUTICALS LIMITED**

**10<sup>TH</sup> ANNUAL GENERAL MEETING**

**ANNUAL REPORT 2021-22**

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## **COMPANY INFORMATION**

<b>Board of Directors</b>	1. Mr. Bhumishth Patel	Managing Director
	2. Ms. Payal Patel	Whole-Time Director
	3. Mr. Bhavesh Sonasara	Independent Director
	4. Mr. Dahyabhai Patel	Non-Executive Director
	5. Mr. Parimal Patwa	Independent Director
	6. Mr. Harsh Kothari	Independent Director
<b>Audit Committee</b>	1. Mr. Harsh Kothari	Chairman
	2. Mr. Dahyabhai Patel	Member
	3. Mr. Parimal Patwa	Member
<b>Nomination and Remuneration Committee</b>	1. Mr. Parimal Patwa	Chairman
	2. Mr. Dahyabhai Patel	Member
	3. Mr. Harsh Kothari	Member
<b>Stakeholders' Relationship Committee</b>	1 Mr. Dahyabhai Patel	Chairman
	2. Mr. Harsh Kothari	Member
	3. Mr. Parimal Patwa	Member
<b>Key Managerial Personnel</b>	1. Mr. Bhumishth Patel	Managing Director
	-	Whole-Time Director
	2. Ms. Payal Patel	CFO
<b>Statutory Auditor</b>	M/s. J. M. Patel & Bros, Chartered Accountants, Ahmedabad	
<b>Secretarial Auditor</b>	M/s. Gaurav Bachani & Associates, Company Secretaries, Ahmedabad	
<b>Share Transfer Agent</b>	Bigshare Services Private Limited, A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road, Navrangpura, Ahmedabad – 380 009	
<b>Registered Office</b>	G1, Ground Floor, V R Complex, Near Sanathal Cross Road, SP Ring Road, Sanathal, Ahmedabad – 382 210	



## **NOTICE OF THE 10<sup>TH</sup> ANNUAL GENERAL MEETING**

**Notice** is hereby given that the 10<sup>th</sup> Annual General Meeting of the Shareholders of **Earum Pharmaceuticals Limited** will be held on Thursday, 25<sup>th</sup> August, 2022 at 4:00 P.M. through Video Conferencing (VC) / Other Audio Video Means (OAVM) to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2022 and Statement of Profit and Loss together with the notes forming part thereof and Cash Flow Statement for the financial year ended on that date, and the reports of the Board of Directors ("The Board") and Auditors thereon.
2. To appoint a Director in place of Mr. Dahyabhai Patel (DIN: 07061899), who retires by rotation and being eligible, offers himself for re-appointment.

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

**"RESOLVED THAT**, Mr. Dahyabhai Patel (DIN: 07061899), who retires by rotation from the Board of Directors pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."

### **SPECIAL BUSINESS:**

3. Increase in Authorised Share Capital and Alteration of the Capital Clause in Memorandum of Association of the Company.

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 13, 61 read with Section 64, Rule 15 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the members be and is hereby accorded to increase the Authorised Equity Share Capital of the Company from the existing Rs. 12,35,00,000/- (Rupees Twelve Crore Thirty Five Lakhs Only) divided into 6,17,50,000 (Six Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs. 2/- (Rupees Two Only) each to Rs. 37,35,00,000/- (Rupees Thirty Seven Crore Thirty Five Lakhs Only) divided into 18,67,50,000 (Eighteen Crore Sixty Seven Lakhs Fifty Thousands) Equity Shares of Rs. 2/- (Rupees Two Only) each ranking pari passu in all respect with the Existing Equity Shares of the Company and the Authorised Preference Share Capital of the Company shall remain unchanged."

**"RESOLVED FURTHER THAT**, the Memorandum of Association of the Company be altered in the following manner i.e. existing Clause V of the Memorandum of Association be deleted and the same be substituted with the following new clause as Clause V:

***V. The Authorised Share Capital of the Company is Rs. 37,35,00,000/- (Rupees Thirty Seven Crores Thirty Five Lakhs Only) divided into 18,67,50,000 (Eighteen Crores Sixty Seven Lakhs Fifty Thousands) Equity Shares of Rs. 2/- (Rupees Two Only) each."***

**“RESOLVED FURTHER THAT**, for the purpose of giving effect to this resolution, the Board of the Directors of the Company (hereinafter referred to as “Board” which term shall include a Committee thereof authorised for the purpose) be and is hereby authorised to take all such necessary steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**4. Approval for change of Registered Office of the Company.**

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

**“RESOLVED THAT**, subject to the provisions of Section 12 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded to shift the registered office of the Company from G1, Ground Floor, V R Complex, Near Sanathal Cross Road, SP Ring Road, Sanathal, Ahmedabad – 382 210 to A-1106, Empire Business Hub, Nr. AUDA Water Tank, Science City Road, Sola, Ahmedabad – 380 060 i.e. outside the local limits of city, town or village, within the state of Gujarat.”

**“RESOLVED FURTHER THAT**, for the purpose of giving effect to this resolution, the Board of the Directors of the Company (hereinafter referred to as “Board” which term shall include a Committee thereof authorised for the purpose) be and is hereby authorised to take all such necessary steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**Registered Office:**

G1, Ground Floor, V R Complex,  
Near Sanathal Cross Road,  
SP Ring Road, Sanathal, Ahmedabad – 382 210

**Place:** Ahmedabad

**Date:** 26<sup>th</sup> July, 2022

**By the Order of the Board of  
Earum Pharmaceuticals Limited**

**Sd/-  
Bhumishth Patel  
Managing Director  
DIN: 02516641**

### NOTES:

1. In view of the continuing COVID-19 pandemic, the 10<sup>th</sup> Annual General Meeting (AGM) will be held on Thursday, 25<sup>th</sup> August, 2022 at 4:00 P.M. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in compliance with the applicable provisions of the Companies Act, 2013 read with Ministry of Corporate Affairs' (MCA) General Circular no. 14/2020 dated 8<sup>th</sup> April, 2020, MCA General Circular no. 17/2020 dated 13<sup>th</sup> April, 2020, MCA General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, MCA General Circular No. 22/2020 dated 15<sup>th</sup> June, 2020, MCA General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and Circular No. 02/2022 dated 5<sup>th</sup> May, 2022 and SEBI Circulars dated 12<sup>th</sup> May, 2021 and 15<sup>th</sup> January, 2021, Circular No. 02/2022 dated May 05, 2022 and in compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The deemed venue for the 10<sup>th</sup> AGM shall be the Registered Office of the Company.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and since this AGM is being held through VC / OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.** Members have to attend and participate in the ensuing AGM through VC/OAVM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM through VC. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to Email at [cs@earumpharma.com](mailto:cs@earumpharma.com) and / or at [info@accuratesecurities.com](mailto:info@accuratesecurities.com), a certified copy of the Board Resolution / authorization letter authorizing their representative to attend and vote on their behalf at AGM through E-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. 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 Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and Company Website i.e. [www.earumpharma.com](http://www.earumpharma.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

In compliance with the MCA Circulars and SEBI Circular NoSEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will be available on website of the Stock Exchange, i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), Company Website i.e. [www.earumpharma.com](http://www.earumpharma.com) and on the website of NSDL at <https://www.evoting.nsdl.com/>. **Annual Report will not be sent in physical form.**

10. Members of the Company holding shares, either in physical form or in Dematerialized form, as on 29<sup>th</sup> July, 2022 will receive Annual Report for the financial year 2021-22 through electronic mode only.

11. The Register of Members and Share Transfer Books will remain closed from 18<sup>th</sup> August, 2022 to 25<sup>th</sup> August, 2022 (both days inclusive) for the purpose of Annual General Meeting (AGM).

12. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA) at its following address: Bigshare Services Private Limited, A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G. Road, Navrangpura, Ahmedabad – 380 009 Email id: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com).

13. In terms of the provisions of Section 152 of the Act, Mr. Dahyabhai Patel, Director of the Company, who retires by rotation at this Annual General Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company re-commend his re-appointment.

Mr. Dahyabhai Patel is interested in the Ordinary Resolutions set out at Item No. 2, of the Notice with regard to his re-appointment. The other relatives of Mr. Dahyabhai Patel being shareholders of the Company may be deemed to be interested in the resolutions set out at Item No 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice.

14. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc., to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA) at its following address: Bigshare Services Private Limited, A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G. Road, Navrangpura, Ahmedabad – 380 009 Email id: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com).

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.

16. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
17. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred/ traded only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized.
18. Members are requested to quote their Folio No. or DP ID/ Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
19. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the "Annexure" to the Notice as per Regulation 26(4) and 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India
20. As the AGM is to be held through VC/ OAVM, Members seeking any information with regard to the accounts or any documents, are requested to write to the Company at least 10 days before the date of AGM through email on [cs@earumpharma.com](mailto:cs@earumpharma.com) and / or at [info@accuratesecurities.com](mailto:info@accuratesecurities.com). The same will be replied / made available by the Company suitably.
21. The business set out in the Notice of AGM will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
22. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
23. 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.
24. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
25. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
26. The Company has set 18<sup>th</sup> August, 2022 as the "Cut-off Date" for taking record of the shareholders of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing Tenth Annual General Meeting, for both E- Voting.

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

The remote e-voting period begins on Monday, 22<sup>nd</sup> August, 2022 at 9:00 A.M. and ends on Wednesday, 24<sup>th</sup> August, 2022 at 5:00 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. Thursday, 18<sup>th</sup> August, 2022 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 Thursday, 18<sup>th</sup> August, 2022.

**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.	<ol style="list-style-type: none"><li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "<b>Beneficial Owner</b>" icon under "Login" which is available under "<b>IDeAS</b>" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS</b>" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held 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.</li></ol>



	Click on options available against company name or <b>e-Voting service provider - NSDL</b> 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.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
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. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method 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 Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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.
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 General 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 [csgauravbachani@gmail.com](mailto:csgauravbachani@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto: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@earumpharma.com](mailto:cs@earumpharma.com).
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@earumpharma.com](mailto:cs@earumpharma.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](mailto: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 AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the 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 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 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 link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General 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.
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@earumpharma.com](mailto:cs@earumpharma.com)). The same will be replied by the company suitably.

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

#### **Item No. 3:**

The Present Authorised Share Capital of the Company is Rs. 12,35,00,000/- (Rupees Twelve Crore Thirty Five Lakhs Only) divided into 6,17,50,000 (Six Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs. 2/- (Rupees Two Only) each to 37,35,00,000/- (Rupees Thirty Seven Crore Thirty Five Lakhs Only) divided into 18,67,50,000 (Eighteen Crore Sixty Seven Lakhs Fifty Thousands) Equity Shares of Rs. 2/- (Rupees Two Only) each Considering the requirement and future business prospects, it is therefore considered necessary to increase the Authorised Equity Share Capital of the Company from present Rs. 12,35,00,000/- (Rupees Twelve Crore Thirty Five Lakhs Only) divided into 6,17,50,000 (Six Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs. 2/- (Rupees Two Only) each to 37,35,00,000/- (Rupees Thirty Seven Crore Thirty Five Lakhs Only) divided into 18,67,50,000 (Eighteen Crore Sixty Seven Lakhs Fifty Thousands) Equity Shares of Rs. 2/- (Rupees Two Only) each ranking pari passu in all respect with the existing Equity Shares of the Company. The proposed increase in Authorised Equity Share Capital requires the approval of members in General Meeting. Consequently upon increase in Authorised Equity Share Capital, the Memorandum of Association of the Company will require alteration so as to reflect the increased Authorised Equity Share Capital.

The proposed resolution is in the interest of the Company and your Directors recommend the same for your approval.

The Board of Directors recommends the Ordinary Resolution set forth in Item No. 3 of the Notice for approval of the Members in this General Meeting.

#### **Item No. 4:**

Your Board of Directors analyse that the shifting of the registered office is in the best interest of the company, shareholders and all concerned parties and shall in no manner adversely affect the existing client base, creditors or operations or employees of the Company. This shifting would provide administrative convenience. In connection to this, your Board of Directors has decided in their Meeting held on 26<sup>th</sup> July, 2022, that the shifting of Registered Office from G1, Ground Floor, V R Complex, Near Sanathal Cross Road, SP Ring Road, Sanathal, Ahmedabad - 382 210 to A-1106, Empire Business Hub, Nr. AUDA Water Tank, Science City Road, Sola, Ahmedabad - 380 060 i.e. outside the local limits of city, town or village within the same state.

As per sub section 5 of Section 12 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, shifting of Registered Office requires the Company to obtain approval of the Shareholders by way of special resolution.

Your Board of Directors recommends passing the resolution(s) set out in item No. 4 as Special Resolution for shifting Registered Office of the company outside the local limits of city, town or village within the same state.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way concerned or interested, financially or otherwise, in the said resolution.

### **ANNEXURE**

Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director under Resolution No. 2 is as under:

<b>Name of the Director</b>	<b>Ms. Dahyabhai Patel</b>
Date of Birth	08/12/.1949
Date of first Appointment on the Board	10/06/2021
Qualifications	Bachelor of Arts
Experience/Brief Resume/ Nature of expertise in specific functional areas	Administration
Terms and Conditions of Appointment along with remuneration sought to be paid	N.A.
Remuneration last drawn by such person, if any	Nil
No. of Shares held in the Company as on date	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se	N.A.
Number of Meetings of the Board attended during the year	15
Directorship / Designated Partner in other Companies / LLPs	Nil
Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board	Nil

## DIRECTOR'S REPORT

To,  
The Members,  
**Earum Pharmaceuticals Limited**

Your Directors are pleased to present the 10<sup>th</sup> Board's Report on the Business and Operations of the Company together with the Audited Financial Statement and the Auditor's Report for the Financial Year ended on 31<sup>st</sup> March, 2022.

### 1. **FINANCIAL RESULTS:**

The financial performance of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 is summarized as below:

Particulars	<b>(Rs. in Lakhs)</b>	
	<b>Financial Year 2021-22</b>	<b>Financial Year 2020-21</b>
Revenue from Operations	2103.56	4108.37
Other Income	770.30	893.20
<b>Total Revenue</b>	<b>2873.86</b>	<b>5001.57</b>
<b>Total Expenses</b>	<b>2553.87</b>	<b>4977.51</b>
<b>Profit / Loss before Depreciation, Exceptional and Extra Ordinary Items and Tax Expenses</b>	<b>319.99</b>	<b>24.06</b>
Less: Depreciation / Amortization / Impairment	11.82	12.30
<b>Profit / Loss before Exceptional and Extra Ordinary Items and Tax Expenses</b>	<b>308.17</b>	<b>11.76</b>
Add / Less: Exceptional and Extra Ordinary Items	0.00	0.00
<b>Profit / Loss before Tax Expenses</b>	<b>308.17</b>	<b>11.76</b>
Less: Tax Expense		
Current Tax	85.76	(2.94)
Deferred Tax	0.00	0.00
<b>Profit / Loss for the Period</b>	<b>222.41</b>	<b>8.82</b>

### 2. **OPERATIONS:**

Total revenue from operations for Financial Year 2021-22 is Rs. 2103.56 Lakhs compared to the total revenue from operations of Rs. 4108.37 Lakhs of previous Financial Year. The Company has incurred Profit before tax for the Financial Year 2021-22 of Rs. 308.17 Lakhs as compared to Profit before tax of Rs. 11.76 Lakhs of previous Financial Year. Net Profit after Tax for the Financial Year 2021-22 is Rs. 222.41 Lakhs as against Net Profit after tax of Rs. 8.82 Lakhs of previous Financial Year. The Directors are continuously looking for the new avenues for future growth of the Company and expect more growth in the future period.

### 3. **CHANGE IN NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business during the year under review.

### 4. **LISTING OF EQUITY SHARES ON MAIN BOARD PLATFORM OF BSE LIMITED:**

In the Financial Year 2021-22. Our Company got listed on SME Platform of BSE Limited.

**5. BONUS ISSUE:**

In the Financial Year 2021-22 Company issued bonus shares in proportion of 1 (One) share for every 1 (One) existing equity shares held by the members.

**6. SUBDIVISION OF EQUITY SHARES:**

In the Financial Year 2021-22 Company has sub division equity shares from Rs.10/- to Rs.2/-.

**7. DIVIDEND:**

To conserve the resources for future prospect and growth of the Company, your Directors do not recommend any dividend for the Financial Year 2021-22 (Previous year - Nil).

**8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund ("IEPF"). During the year under review, there was no unpaid or unclaimed dividend in the "Unpaid Dividend Account" lying for a period of seven years from the date of transfer of such unpaid dividend to the said account. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

**9. TRANSFER TO RESERVES:**

The profit of the Company for the Financial Year ending on 31<sup>st</sup> March, 2022 is transferred to profit and loss account of the Company under Reserves and Surplus.

**10. ANNUAL RETURN:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website at <http://www.earumpharma.com/investorrelation.html>

**11. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT:**

There are no material changes and commitments, affecting the financial position of the Company.

**12. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation.

**13. MEETINGS OF THE BOARD OF DIRECTORS:**

The Directors of the Company met at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and

strategies apart from the Board Matters.

During the year under the review, the Board of Directors met 16 (Sixteen) times viz. 8<sup>th</sup> May, 2021, 10<sup>th</sup> June, 2021, 1<sup>st</sup> July, 2021, 21<sup>st</sup> July, 2021, 2<sup>nd</sup> August, 2021, 11<sup>th</sup> August, 2021, 24<sup>th</sup> August, 2021, 27<sup>th</sup> August, 2021, 7<sup>th</sup> September, 2021, 8<sup>th</sup> October, 2021, 30<sup>th</sup> October, 2021, 9<sup>th</sup> November, 2021, 11<sup>th</sup> January, 2022, 3<sup>rd</sup> February, 2022, 12<sup>th</sup> February, 2022 and 23<sup>rd</sup> March, 2022.

#### **14. DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134 (3)(c) and Section 134(5) of the Companies Act, 2013, to the best of their knowledge and belief the Board of Directors hereby submit that:

- a. In the preparation of the Annual Accounts, for the year ended on 31<sup>st</sup> March, 2022 the applicable accounting standards have been followed and there are no material departure from the same;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the financial year ended on 31<sup>st</sup> March, 2022.
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the Annual Accounts on a going concern basis;
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **15. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of section 135 of the Companies Act, 2013 is not applicable to your Company as the Company does not fall under the criteria limits mentioned in the said section of the Act.

Hence, the Company has not taken voluntary initiative towards any activity mentioned for Corporate Social Responsibility.

#### **16. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the Company's current working and future outlook as per **Annexure - 1**.

#### **17. DISCLOSURES RELATING TO HOLDING / SUBSIDIARY, ASSOCIATE COMPANY AND JOINT VENTURES:**

The Company does not have any Holding / Subsidiary/Associate Company and Joint Venture.

## **18. VIGIL MECHANISM:**

During the year under review, the Company did not accept any deposits from the public and not borrowed money from the Banks and Public Financial Institutions. Accordingly, provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 does not apply to the Company.

## **19. SECRETARIAL STANDARDS:**

During the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI). The Company has devised proper systems to ensure compliance with its provisions and is in compliance with the same.

## **20. STATEMENT ON ANNUAL EVALUATION MADE BY THE BOARD OF DIRECTORS:**

The Board evaluated the effectiveness of its functioning, that of the Committees and of individual Directors, pursuant to the provisions of the Act and SEBI Listing Regulations. The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- Structure, composition, and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management;
- Board / Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Chairman of the Board had one-on-one meetings with each Independent Director and the Chairman of NRC had one-on-one meetings with each Executive and Non-Executive, Non-Independent Directors. These meetings were intended to obtain Directors' inputs on effectiveness of the Board/ Committee processes.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole, and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting that followed the meeting of the independent directors and the meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was discussed.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management, and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.



The Board carried out an annual performance evaluation of its own performance and that of its committees and individual directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee.

The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board by way of individual feedback from directors.

The evaluation frameworks were the following key areas:

a) For Non-Executive & Independent Directors:

- Knowledge
- Professional Conduct
- Comply Secretarial Standard issued by ICSI Duties
- Role and functions

b) For Executive Directors:

- Performance as leader
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set investment goal
- Professional conduct and integrity
- Sharing of information with Board.
- Adherence applicable government law

The Directors expressed their satisfaction with the evaluation process.

## **21. DETAILS OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL CONTROL:**

The Company has in place adequate internal financial controls with reference to financial statement across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the financial year, such controls were tested and no reportable material weaknesses in the design or operations were observed. The Statutory Auditors of the Company also test the effectiveness of Internal Financial Controls in accordance with the requisite standards prescribed by ICAI. Their expressed opinion forms part of the Independent Auditor's report.

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

During the year, no reportable material weakness was observed.

## **22. COMMENTS ON AUDITORS'REPORT:**

There were no qualifications, reservations, adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the financial year ended on 31<sup>st</sup> March, 2022. Furthermore, there were no frauds reported by the Auditors of the Company pursuant to the Companies Act, 2013 and the rules made thereunder. Maintenance of cost records as specified under Companies Act, 2013 is not applicable to the Company.

## **23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The details of loans, investment, guarantees and securities covered under the provisions of section 186 of the Companies Act, 2013 are provided in the financial statement.

## **24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. However, the Company has not entered into any related party transaction, as provided in Section 188 of the Companies Act, 2013, with the related party. Hence, Disclosure as required under Section 188 of the Companies Act, 2013 is not applicable to the Company.

## **25. MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:**

### **a) Risk Management Committee:**

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

### **b) Vigil Mechanism / Whistle Blower Policy:**

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

### **c) Business Conduct Policy:**

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical

manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

## **26. RESERVES & SURPLUS:**

(Amount in Lakhs)

Sr. No.	Particulars	Amount
1.	Balance at the beginning of the year	190.34
2.	Current Year's Profit	222.41
3.	Utilization of Reserve	(190.34)
4.	Amount of Securities Premium and other Reserves	216.54
	<b>Total</b>	<b>438.95</b>

## **27. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

	Foreign exchange earnings and outgo	F.Y. 2021-22	F.Y. 2020-21
a.	Foreign exchange earnings	Nil	Nil
b.	CIF value of imports	Nil	Nil
c.	Expenditure in foreign currency	Nil	Nil

## **28. PARTICULARS OF EMPLOYEES:**

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the Employees of the Company has received remuneration above the limits specified in the Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2021-22.

## **29. LOANS FROM DIRECTOR / RELATIVE OF DIRECTOR:**

During the year under review, the Company has not entered into any materially significant related party transactions which may have potential conflict with the interest of the Company at large. Suitable disclosures as required are provided in AS-18 which is forming the part of the notes to financial statement.

## **30. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Directors and Key Managerial Personnel of the Company are summarized below as on date:

Sr. No.	Name	Designation	DIN
1.	Mr. Bhumishth Patel	Director	02516641
2.	Ms. Payal Patel	Whole-Time Director	09324872
3.	Ms. Payal Patel	Chief Financial Officer	-
4.	Mr. Dahyabhai Patel <sup>1</sup>	Non-Executive Director	07061899
5.	Mr. Parimal Patwa <sup>2</sup>	Independent Director	00093852
6.	Mr. Harsh Kothari <sup>3</sup>	Independent Director	09310696
7.	Mr. Bhavesh Sonesara <sup>3</sup>	Independent Director	09104502
8.	Mr. Narendrakumar Patel <sup>4</sup>	Director	07017438
9.	Mr. Hetarth Patel <sup>5</sup>	Independent Director	07356470
10.	Mr. Bhavik Patel <sup>6</sup>	Independent Director	08557420
11.	Ms. Priya Raval <sup>7</sup>	Company Secretary	-
12.	Mr. Ronak Lalwani <sup>8</sup>	Company Secretary	-

1. Mr. Dahyabhai Patel was appointed as a Non-Executive Director w.e.f. 10<sup>th</sup> June, 2021.
2. Mr. Parimal Pawata was appointed as an Independent Director w.e.f. 27<sup>th</sup> August, 2021.
3. Mr. Harsh Kothari and Mr. Bhavesh Sonesara were appointed as an Independent Director w.e.f. 7<sup>th</sup> September, 2021.
4. Mr. Narendrakumar Patel has resigned from the post of Director w.e.f. 8<sup>th</sup> May, 2021.
5. Mr. Hetarth Patel resigned from the post of Independent Director, w.e.f. 22<sup>nd</sup>, September, 2021.
6. Mr. Bhavik Patel has resigned from the post of Independent Director, w.e.f. 7<sup>th</sup> September, 2021
7. Ms. Priya Raval was appointed as a Company Secretary w.e.f. 1<sup>st</sup> July, 2021 and she has Resigned from the post of Company Secretary w.e.f. 28<sup>th</sup> April, 2022
8. Mr. Ronak Lalwani Resigned from the post of Company Secretary w.e.f. 30<sup>th</sup> June, 2021

Apart from the above changes, there were no other changes in the composition of the Board of Directors of the Company during the Financial Year 2021-22 and till the date of Board's Report.

As per Companies Act, 2013 the Independent Directors are not liable to retire by rotation.

### **31. DECLARATION BY INDEPENDENT DIRECTORS:**

Mr. Parimal Patwa, Mr. Harsh Kothari and Mr. Bhavesh Sonesara Independent Directors of the Company has confirmed to the Board that he meets the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and he qualifies to be an Independent Director. He has also confirmed that he meets the requirement of Independent Director as mentioned under Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The confirmations was noted by the Board.

### **32. CORPORATE GOVERNANCE:**

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance, and a certificate regarding compliance with the conditions of Corporate Governance are appended to the Annual Report as **Annexure - 2**.

### **33. DEPOSITS:**

As per Section 73 of the Companies Act, 2013, the Company has neither accepted nor renewed any deposits during the financial year. Hence, the Company has not defaulted in repayment of deposits or payment of interest during the financial year.

### **34. STATUTORY AUDITOR:**

Your Company at its 7<sup>th</sup> Annual General Meeting held on September 27, 2019 had appointed M/s. J.M. Patel & Bros., Chartered Accountants as Statutory Auditors of the Company for a period of 5 consecutive years i.e., from the Seventh Annual General Meeting till Twelfth Annual General Meeting at a remuneration as may be fixed by the Board of Directors and Audit Committee in consultation with the Auditors thereof.

There are no qualifications, reservations or adverse remarks made by M/s. J.M. Patel & Bros., Chartered Accountants, the Statutory Auditors of the Company, in their report for the financial year 2021-22. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments.

The Report given by M/s. J M Patel & Bros., Statutory Auditors on the financial statement of the Company for the year 2021-22 is part of the Annual Report.

### 35. SECRETARIAL AUDITOR:

The Board appointed M/s. Gaurav Bachani & Associates, Company Secretaries, Ahmedabad to conduct Secretarial Audit for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2022 is annexed herewith marked as **Annexure - 3** to this Report.

### 36. DISCLOSURES

#### A. Composition of Audit Committee:

During the year under review, meetings of members of the Audit committee as tabulated below, was held on 10<sup>th</sup> June, 2021, 2<sup>nd</sup> August, 2021, 24<sup>th</sup> August, 2021, 7<sup>th</sup> September, 2021 30<sup>th</sup> October, 2021 and 11<sup>th</sup> January, , 2022 the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr. Harsh Kothari <sup>1</sup>	Chairman	3	3
Mr. Parimal Patwa <sup>2</sup>	Member	3	3
Mr. Hetarth Patel <sup>3</sup>	Chairman	4	4
Ms. Narendrakumar Patel <sup>4</sup>	Member	0	0
Mr. Bhavik S. Patel <sup>5</sup>	Member	4	4
Ms. Payal Patel <sup>6</sup>	Member	6	6

<sup>1</sup>Mr. Harsh Kothari was appointed as Chairman of the Audit Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>2</sup>Mr. Parimal Patwa was appointed as Member of the Audit Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>3</sup>Mr. Hetarth Patel has resigned as Chairman from the Audit Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>4</sup>Mr. Narendrakumar Patel has resigned as Member from the Audit Committee w.e.f. 8<sup>th</sup> May, 2021

<sup>5</sup>Mr. Bhavik Patel has resigned as Member from the Audit Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>6</sup>Ms. Payal Patel was appointed as Member of the Audit Committee w.e.f. 10<sup>th</sup> June, 2021

During the year all the recommendations made by the Audit Committee were accepted by the Board.

#### B. Composition of Stakeholders' Relationship Committee:

During the year under review, meetings of members of Stakeholders' Relationship committee as tabulated below, was held on 10<sup>th</sup> June, 2021, 7<sup>th</sup> September, 2021 16<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022 and the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr. Parimal Patwa <sup>1</sup>	Member	2	2
Mr. Harsh Kothari <sup>2</sup>	Chairman	2	2
Mr. Hetarth . Patel <sup>3</sup>	Member	3	3
Ms. Narendrakumar Patel <sup>4</sup>	Member	0	0
Mr. Bhavik S. Patel <sup>5</sup>	Chairman	2	2
Ms. Payal Patel <sup>6</sup>	Member	4	4

- <sup>1</sup>Mr. Parimal Patwa was appointed as Member of the Stakeholder Relationship Committee w.e.f. 7<sup>th</sup> September, 2021  
<sup>2</sup>Mr. Harsh Kothari was appointed as Chairman of the Stakeholder Relationship Committee w.e.f. 7<sup>th</sup> September, 2021  
<sup>3</sup>Mr. Hetarth Patel has resigned as Member from the Stakeholder Relationship Committee w.e.f. 7<sup>th</sup> September, 2021  
<sup>4</sup>Mr. Narendrakumar Patel has resigned as Member from the Stakeholder Relationship Committee w.e.f. 8<sup>th</sup> May, 2021  
<sup>5</sup>Mr. Bhavik Patel has resigned as Chairman from the Stakeholder Relationship Committee w.e.f. 7<sup>th</sup> September, 2021  
<sup>6</sup>Ms. Payal Patel was appointed as Member of the Stakeholder Relationship Committee w.e.f. 10<sup>th</sup> June, 2021

**C. Composition of Nomination and Remuneration Committee:**

During the year under review, meetings of members of Stakeholders' Relationship committee as tabulated below, was held on, 10<sup>th</sup> June, 2021, 1<sup>st</sup> July, 2021, 27<sup>th</sup> August, 2021 and 7<sup>th</sup> September, 2021 and the attendance records of the members of the Committee are as follows:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr. Parimal Patwa <sup>1</sup>	Member	1	1
Mr. Harsh Kothari <sup>2</sup>	Chairman	1	1
Mr. Dahyabhai Patel <sup>3</sup>	Member	4	4
Mr. Hetarth Patel <sup>4</sup>	Member	4	4
Ms. Narendrakumar Patel <sup>5</sup>	Member	0	0
Mr. Bhavik S. Patel <sup>6</sup>	Chairman	4	4

<sup>1</sup>Mr. Parimal Patwa was appointed as Member of the Nomination and Remuneration Committee w.e.f. 7<sup>th</sup> September, 2021  
<sup>2</sup>Mr. Harsh Kothari was appointed as Chairman of the Nomination and Remuneration Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>3</sup>Mr. Dahyabhai Patel was appointed as and Member of the Nomination and Remuneration Committee w.e.f. 10<sup>th</sup> June 2021.

<sup>4</sup>Mr. Hetarth Patel has resigned as Chairman from the Nomination and Remuneration Committee w.e.f. 7<sup>th</sup> September, 2022

<sup>5</sup>Mr. Narendrakumar Patel has resigned as Member from the Nomination and Remuneration Committee w.e.f. 8<sup>th</sup> May, 2021

<sup>6</sup>Mr. Bhavik Patel has resigned as Member from the Nomination and Remuneration Committee w.e.f. 7<sup>th</sup> September, 2021

**37. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company has always been committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as confirmed by the Internal Complaints Committee as constituted by the Company.

**38. DEMATERIALISATION OF EQUITY SHARES:**

As per direction of the SEBI, the shares of the Company are under compulsory demat form. The Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited and the Demat activation number allotted to the Company is ISIN: INE560T01015. Presently shares are held in electronic and physical mode.

**39. INDUSTRIAL RELATIONS:**

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review

**40. MAINTENANCE OF COST RECORDS:**

The provisions relating to maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are not applicable to the Company and accordingly such accounts and records are not required to be maintained.

**41. INSOLVENCY AND BANKRUPTCY CODE:**

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company.

**42. ACKNOWLEDGEMENTS:**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Suppliers, Customers and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward for the continued support of every stakeholder in the future.

**Registered Office:**

G1, Ground Floor, V R Complex,  
Near Sanathal Cross Road,  
SP Ring Road, Sanathal,  
Ahmedabad – 382210

**Place:** Ahmedabad

**Date:** 26<sup>th</sup> July, 2022

**By the Order of the Board of  
Earum Pharmaceuticals Limited**

**Sd/-  
Bhumishth Patel  
Director  
DIN: 02516641**

**Sd/-  
Payal Patel  
Whole-Time Director  
DIN:05300011**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A. Overview of the Indian Economy:**

The world pharmaceutical market was worth an estimated \$1.2 trillion at ex-factory prices in 2020. It is one of the top performing industries globally. New medications are constantly being developed, approved and marketed, resulting in significant market growth. The FDA approved 55 novel drugs in 2021. Other market growth drivers include the aging population, as seniors use more medicines per capita and there is a rise in the prevalence and treatment of chronic diseases. However, the industry faces many challenges including regulatory hurdles, escalating R&D costs, and competition from generic drugs and biosimilars.

The pharmaceutical industry, one of the most profitable industries in the world, is under significant pressure to bring in cost-effective and innovative drugs. The discipline of precision medicine and genomic medicine has gained significant interest from researchers and healthcare providers globally. Already, it is making an impact in the fields of oncology, pharmacology, rare and undiagnosed diseases, and infectious disease, and its popularity is expected to grow significantly in coming years. Sensing the huge opportunity in the field of precision medicine and genomic medicine, several big pharma companies have been making huge investments to expand their precision and genomic medicine portfolios and pipelines. The number of personalized drugs is expected to double or even triple in the upcoming years.

**B. Outlook:**

India's GDP is expected to contract in Financial Year 2021-22, attributing the downward revision to Covid-19 induced supply demand shocks. Although, Government's commitment toward structural reforms and social welfare measures will help in economic recovery. Further, resolution for Atmanirbhar Bharat along with collective effort of all stakeholders will contribute to rebuilding a strong economy. The Company will continue to focus on meeting the needs of its long-term strategic partners through investment in new capabilities and the continuous improvement of the services provided within these collaborations.

**C. Industry structure and development:**

India is the largest provider of generic drugs globally. Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. Globally, India ranks 3<sup>rd</sup> in terms of pharmaceutical production by volume and 14<sup>th</sup> by value. The domestic pharmaceutical industry includes a network of 3,000 drug companies and 10,500 manufacturing units.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with the potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.



## **D. Opportunities and Threats:**

### **Opportunities:**

- **Network area:** The Company has diverse product portfolio, wide network area of sales, marketing and distribution, wide range of fill volumes etc.
- **Management:** The Company has experienced management team and well qualified senior executives.
- **Technological Developments:** The Company has adopted superior and advanced technology for manufacturing Pharmaceutical, Nutraceutical, Ayurvedic and Herbal Products.
- **Market:** Company's manufacturing and institutional sales stabilize revenue stream and helps in targeting new domestic and export markets. Hence, the Company has a wide range of network area for trading its products online or offline.

### **Threats:**

- **High Competition Era:** The Pharmaceutical Industry has entered into the orbit of the high competition. The market fights are set to intensify with unstoppable capacity build up. The Competition from both unorganized and other organized players, leading to difficulties in improving market share.
- **Manpower:** The one of the common problem emerged for finding talent with competence or even skilled man power for Pharmaceutical Industries irrespective of the Company's Brand or Size.
- **Under cutting of price:** Due to high competition in market, the competitors are doing price cutting of Services to compete or keep their existence in markets which is ultimate big problems for the industries.
- **New Entrance:** More and more new organized players are entering into market which will increase competition in organized sector also.

## **E. Segment-wise or Product-wise performance:**

The Company is primarily engaged in single segment i.e. Trading of Pharmaceutical commodities.

The Turnover of the Company for the Financial Year 2021-22 is Rs. 210,356,380/-.

## **F. Future Outlook:**

The Company's outlook for the year 2021-22 is to add more products in the product range as per requirement in both Indian and Global market. Due to unexpected effects of Covid-19 Pandemic, the Company will focus on research and development, higher productivity, etc.

## **G. Internal control systems and their adequacy:**

Being a pharma company and ISO Certified the process parameters are fully documented and are in place. The role and responsibilities of various people are fully defined in all the functional level. There is continuous flow of information at all level and effective internal audit and internal checks are done at regular interval to ensure their adequacy and efficiency.

Additionally, the following measures are taken to ensure proper control:

- Budgets are prepared for all the operational levels.
- Any material variance from budget has to be approved by the Commercial director.
- Any major policy change is approved by the managing director.
- Any deficiency in not achieving target is reviewed at management meetings.

#### **H. Discussion on financial performance with respect to operational performance:**

The financial performance of the Company for the Financial Year 2021-22 is described in the Directors' Report of the Company.

#### **I. Material developments in Human Resources / Industrial Relations front including number of people employed:**

The cordial employer - employee relationship also continued during the year under the review. The Company has continued to give special attention to human resources.

#### **J. Caution Statement:**

Statements made in the Management Discussion and Analysis describing the various parts may be "forward looking statement" within the meaning of applicable securities laws and regulations. The actual results may differ from those expectations depending upon the economic conditions, changes in Govt. Regulations and amendments in tax laws and other internal and external factors.

#### **Registered Office:**

G1, Ground Floor, V R Complex,  
Near Sanathal Cross Road,  
SP Ring Road, Sanathal,  
Ahmedabad – 382 210

**Place:** Ahmedabad

**Date:** 26<sup>th</sup> July, 2022

**By the Order of the Board of  
Earum Pharmaceuticals Limited**

**Sd/-  
Bhumishth Patel  
Managing Director  
DIN: 02516641**

**Sd/-  
Payal Patel  
Whole-Time Director  
DIN: 05300011**

**REPORT ON CORPORATE GOVERNANCE**

**1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Your Company believes that Corporate Governance is an ethical business process that is committed to value aimed at enhancing an organization's wealth generating capacity. This is ensure by taking ethical business decision and conducting business with firm commitment to values, while meeting stakeholder's expectations. Corporate Governance is globally recognized as a key component for superior long term performance of every corporate entity.

Effective corporate governance practices constitutes the strong foundation on which successful commercial enterprises are built to the last. Our 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. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company to achieve its vision of being the most respected Company.

We are committed for maximizing stakeholder value by improving good governance, quality and commitment with a spirit of integrity.

Our Corporate Governance framework ensures that we make timely disclosure and share accurate information regarding our financial and performance, as well as leadership and governance of the Company.

The Company's philosophy on investor service and protection envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, the government and lenders. The Company is committed to achieve the highest standards of corporate governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value, over a sustained period of time. The Company continues to take necessary steps towards achieving this goal.

A report on compliance with corporate governance principles as prescribed under Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations" or "SEBI (LODR) Regulations, 2015"), as applicable, is given below.

## 2. BOARD OF DIRECTORS

### (a) Composition

Name of Directors	Category of Directorship in the Company	No. of other Directorship @	No. of Committee position in other Companies**		No. of Board Meetings attended during 2021-22
			Member	Chairman	
Mr. Bhumishth Patel	Promoter-Executive	1	-	-	16
Ms. Payal Patel	Promoter-Executive	1	2	1	16
Mr. Dahyabhai Patel	Non-Executive – Non Independent Director	-	-	-	14
Mr. Parimal Patwa	Independent Director	1	-	-	8
Mr. Bhavesh Sonesara	Independent Director	1	2	0	7
Mr. Harsh Kothari	Independent Director	-	-	-	7

@ Private Companies, foreign companies and companies under Section 8 of the Companies Act, 2013 are excluded

\*\* For the purpose of reckoning the limit of committees, only chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee has been considered.

### (b) Information on Board of Directors

None of the directors on the board is a Member of more than ten (10) committees or Chairman of more than five (5) committees across all the companies in which he is a director. None of the Independent Directors serve as an Independent Director in more than seven listed entities provided that any Independent Director who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Necessary disclosures regarding their Directorship/ Membership in other companies have been made by all directors.

### Chart/Matrix setting out the skills/expertise/ competence of the Board of Directors

The following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

i. Knowledge:

Understand the Company's businesses, policies and culture (including the Mission, Vision and Values) major risks/ threats and potential opportunities and knowledge of the industry in which the Company operates.

ii. Behavioral Skills:

Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.

iii. Business Leadership:

Leadership experience including in the areas of Business Strategy, Administration, Decision Making and guiding the Company and its senior management towards its vision and values.

iv. Financial Management skills:

Experience in financial management of large corporations with understanding of capital allocation & funding and financial reporting processes.

v. Sales and Marketing:

Experience in developing strategies to grow sales and market share, build brand awareness and thereby enhance enterprise value.

Name of Director	Knowledge	Behavioral Skills	Business Leadership	Financial Management skills	Sales and Marketing
Mr. Bhumishth Patel	Yes	Yes	Yes	Yes	Yes
Ms. Payal Patel	Yes	Yes	Yes	Yes	Yes
Mr. Dahyabhai Patel	Yes	Yes	Yes	Yes	Yes
Mr. Parimal Patwa	Yes	Yes	Yes	Yes	Yes
Mr. Bhavesh Sonasara	Yes	Yes	Yes	Yes	Yes
Mr. Harsh Kothari	Yes	Yes	Yes	Yes	Yes

### **(c) Declaration by the Board**

In terms of Regulation 25(8) of Listing Regulations, each Independent Director has confirmed that he/she meets the criteria of independence in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations and also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. Based on the declaration received from each Independent Director under Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of Listing Regulations, Board of Directors has confirmed that the Independent Directors fulfill the conditions specified in these sections and regulations and are independent of the management.

### **(d) Resignation of Independent Director**

Mr. Bhavik Patel and Mr. Hetarth Patel were resigned from the post of Independent Director w.e.f 7<sup>th</sup> September, 2021 and 22<sup>nd</sup> September, 2021.

### **(e) Board Membership Criteria**

The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristic, skills and experience required for the Board as a whole and for individual members. Board Members are expected to possess the expertise, skills, and experience to manage and guide a high growth.

### **(f) Number of meetings of the Board of Directors held and dates on which held**

Sixteen (16) Board Meetings were held during the year 2021- 22. The dates on which the Board meetings were held are: 8<sup>th</sup> May, 2021, 10<sup>th</sup> June, 2021, 1<sup>st</sup> July, 2021, 21<sup>st</sup> July, 2021, 2<sup>nd</sup> August, 2021, 11<sup>th</sup> August, 2021, 24<sup>th</sup> August, 2021, 27<sup>th</sup> August, 2021, 7<sup>th</sup> September, 2021, 8<sup>th</sup> October, 2021, 30<sup>th</sup> October, 2021, 9<sup>th</sup> November, 2021, ,, 11<sup>th</sup> January, 2022, 3<sup>rd</sup> February, 2022, and 12<sup>th</sup> February, 2022 and 23<sup>rd</sup> March, 2022.

Management Committee formed by Board of Directors to oversee day to day operations of the Company, which consist of Two (2) Executive Directors and One (1) Non-Executive Director subject to supervision and control of the Board of Directors. The Management Committee formed by the Board makes decision within the authority delegated. All decisions/ recommendation of the Committees is placed before the Board for information and/or its approval.

The information as required under Regulation 17 (7) of SEBI (LODR) Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meetings. Adequate

information is circulated as part of the Board papers and is also made available at the Board Meetings to enable the Board to take informed decisions. Where it is not practicable to attach supporting/relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the Agenda. As required under Regulation 17 (3) of SEBI (LODR) Regulations, 2015, the Board periodically reviews compliances of various laws applicable to the Company.

Names of the Directors on the Board, their Attendance in the Board Meeting, % of attendance and Attendance in last Annual General Meeting during the year 2021- 22 is given below:

No. of Board Meeting held & attended during 2021-22	Name of Director					
	Mr. Bhumishth Patel	Ms. Payal Patel	Mr. Dahyabhai Patel	Mr. Parimal Patwa	Mr. Bhavesh Sonasara	Mr. Harsh Kothari
08-05-2021	Yes	Yes	N.A.	N.A.	N.A.	N.A.
10-06-2021	Yes	Yes	Yes	N.A.	N.A.	N.A.
01-07-2021	Yes	Yes	Yes	N.A.	N.A.	N.A.
22-07-2021	Yes	Yes	Yes	N.A.	N.A.	N.A.
02-08-2021	Yes	Yes	Yes	N.A.	N.A.	N.A.
11-08-2021	Yes	Yes	Yes	N.A.	N.A.	N.A.
24-08-2021	Yes	Yes	Yes	N.A.	N.A.	N.A.
27-08-2021	Yes	Yes	Yes	Yes	N.A.	N.A.
07-09-2021	Yes	Yes	Yes	Yes	Yes	Yes
08-10-2021	Yes	Yes	Yes	Yes	Yes	Yes
30-10-2021	Yes	Yes	Yes	Yes	Yes	Yes
09-11-2021	Yes	Yes	Yes	Yes	Yes	Yes
11-01-2021	Yes	Yes	Yes	Yes	Yes	Yes
03-02-2021	Yes	Yes	Yes	Yes	Yes	Yes
12-02-2021	Yes	Yes	Yes	Yes	Yes	Yes
23-03-2021	Yes	Yes	Yes	Yes	Yes	Yes
Total attended	16	16	15	9	8	8
% of attendance	100	100	100	100	100	100
Whether attended Last AGM held on 06-09-2021	Yes	Yes	Yes	Yes	N.A.	N.A.

**(h) Disclosure of Relationship between Directors inter se:**

Mr. Bhumishth Patel, Ms. Payal Patel and Dahyabhai Patel are related to each other.

### **(i) Shareholding of Non-Executive Directors**

<b>Name of Directors</b>	<b>No. of Shares held</b>	<b>% of shareholding</b>
Mr. Dahyabhai Patel	2250	0.0036%
Mr. Parimal Patwa	0	0.0%
Mr. Bhavesh Sonesara	0	0.0%
Mr. Harsh Kothari	0	0.0%
<b>Total</b>	<b>2250</b>	<b>0.0036%</b>

### **(j) Code of Conduct**

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Regulation 17(5) of the SEBI (LODR) Regulations, 2015. A declaration in respect of affirmation on compliance with Code of Conduct, by the Board Members and senior management personnel for the financial year ended on March 31, 2022, duly signed by Managing Director of the Company is attached herewith and forms part of Corporate Governance Report. The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013.

### **(k) Disclosures regarding appointment/re-appointment of Directors**

Mr. Dahyabhai Patel, Director is retiring at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. An agenda seeking shareholders' approval for her re-appointment forms part of the Notice of the Annual Report.

The brief resume and other information required to be disclosed under Regulation 36(3) of SEBI (LODR) Regulations, 2015 is provided in the Notice of the Annual General Meeting.

### **(l) Familiarization Programme for Independent Director**

The Company undertook various steps to make the Independent Directors have full understanding about the Company. The details of such familiarization programmes have been disclosed on the Company's website.

## **3. AUDIT COMMITTEE**

The Audit Committee serves as the link between the Statutory and internal auditors and the Board of Directors. The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with the view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.



### **(a) Terms of reference and Powers:**

Terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the Regulation 18 of SEBI (LODR) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

With the introduction of SEBI Notification No. SEBI/ LAD-NRO/GN/2021/22 dated 5<sup>th</sup> May, 2021 amending SEBI (LODR) Regulations, 2015 which will be effective from different dates in phase manner, the role of the Audit Committee has been amended by addition of one new role of Audit Committee i.e. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders. Accordingly, the Company has revised the role of Audit Committee in the meeting of Board of Directors held on 11<sup>th</sup> January, 2022. Besides, other than role of the Audit Committee, there is no change in other matters including Terms of Reference, the matters which is mandatorily reviewed by the Audit Committee, constitution, etc.

The Committee reviews the information as listed under Regulation 18(3) of SEBI (LODR) Regulations, 2015 read with Schedule II Part C (B) as well as under Section 177 of the Companies Act, 2013 as amended from time to time.

### **(b) Composition**

The Board of Directors of the Company has constituted an Audit Committee on 17<sup>th</sup> March, 2017. Presently, the Audit Committee comprises qualified and majority independent members of the Board, who have expertise knowledge and experience in the field of accounting and financial management and have held or hold senior positions in other reputed organizations. The constitution, composition and functioning of the Audit Committee also meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

### **(c) Audit Committee Meetings**

Six [6] Audit Committee Meetings were held during the year 2020-21. The dates on which the Audit Committee Meetings were held are: 10<sup>th</sup> June, 2021, 2<sup>nd</sup> August, 2021, 24<sup>th</sup> August, 2021, 7<sup>th</sup> September, 2021 30<sup>th</sup> October, 2021 and 11<sup>th</sup> January, , 2022

The Statutory Auditors, Internal Auditors of the Company and Finance personnel are invited to attend and participate in the meetings of the Audit Committee. The Committee holds discussions with them on various matters including limited review of results, audit plan for the year, matters relating to compliance with accounting standards, auditors' observations and other related matters.

Company Secretary acts as Secretary to the Committee.

Names of the members on the Committee, their Attendance in the Audit Committee Meetings, % of attendance during the year 2021- 22 is given below:

<b>Name</b>	<b>Status</b>	<b>No. of the Committee Meetings entitled</b>	<b>No. of the Committee Meetings attended</b>
Mr. Harsh Kothari <sup>1</sup>	Chairman	3	3
Mr. Parimal Patwa <sup>2</sup>	Member	3	3
Mr. Hetarth Patel <sup>3</sup>	Chairman	4	4
Ms. Narendrakumar Patel <sup>4</sup>	Member	0	0
Mr. Bhavik S. Patel <sup>5</sup>	Member	4	4
Ms. Payal Patel <sup>6</sup>	Member	6	6

<sup>1</sup>Mr. Harsh Kothari was appointed as Chairman of the Audit Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>2</sup>Mr. Parimal Patwa was appointed as Member of the Audit Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>3</sup>Mr. Hetarth Patel has resigned as Chairman from the Audit Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>4</sup>Ms. Narendrakumar Patel has resigned as Member from the Audit Committee w.e.f. 8<sup>th</sup> May, 2021

<sup>5</sup>Mr. Bhavik Patel has resigned as Member from the Audit Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>6</sup>Ms. Payal Patel was appointed as Member of the Audit Committee w.e.f. 10<sup>th</sup> June, 2021

#### **4. NOMINATION AND REMUNERATION COMMITTEE**

##### **(a) Composition**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulation, 2015, Nomination and Remuneration Committee has been constituted by the Board of Directors. Presently the “Nomination and Remuneration Committee” comprises qualified and Independent Directors being a member of the Committee.

##### **(b) Nomination and Remuneration Committee Meeting**

During the year under review, Nomination and Remuneration Committee (“NRC”) Meeting was held on 10<sup>th</sup> June, 2021, 1<sup>st</sup> July, 2021, 27<sup>th</sup> August, 2021 and 7<sup>th</sup> September, 2021 where all members were present. The Committee has passed circular resolutions on 31<sup>st</sup> July, 2020 pertaining to amend Criteria of making payment to Non-Executive Directors pursuant to amendment made in Section 149 and 197 read with Schedule V of the Companies Act, 2013 by Ministry of Corporate Affairs.

Names of the members on the Committee, their Attendance in the Nomination and Remuneration Meetings during the year 2021- 22 is given below:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr.ParimalPatwa <sup>1</sup>	Member	1	1
Mr. Harsh Kothari <sup>2</sup>	Chairman	1	1
Mr. Dahyabhai Patel <sup>3</sup>	Member	4	4
Mr. Hetarth Patel <sup>4</sup>	Member	4	4
Ms. Narendrakumar Patel <sup>5</sup>	Member	0	0
Mr. Bhavik S. Patel <sup>6</sup>	Chairman	4	4

<sup>1</sup>Mr. Parimal Patwa was appointed as Member of the Nomination and Remuneration Committee w.e.f. 7<sup>th</sup> September, 2021<sup>2</sup>Mr. Harsh Kothari was appointed as Chairman of the Nomination and Remuneration Committee w.e.f. 7<sup>th</sup>September, 2021

<sup>3</sup>Mr. Dahyabhai Patel was appointed as and Member of the Nomination and Remuneration Committee w.e.f. 10<sup>th</sup> June 2021.

<sup>4</sup>Mr. Hetarth Patel has resigned as Chairman from the Nomination and Remuneration Committee w.e.f. 7<sup>th</sup>September, 2022

<sup>5</sup> Mr. Narendrakumar Patel has resigned as Member from the Nomination and Remuneration Committee w.e.f. 8<sup>th</sup> May, 2021

<sup>6</sup>Mr. Bhavik Patel has resigned as Member from the Nomination and Remuneration Committee w.e.f. 7<sup>th</sup> September,

**(c) Terms of reference and Powers of the committee inter alia, includes the following:**

Terms of Reference and role of the NRC cover the matters specified in SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 as amended from time to time, which, inter alia, includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Devising a policy on diversity of board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and carrying out evaluation of performance of every Director.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommending and determining remuneration of the Executive Directors as per the Policy.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

**(d) Performance evaluation criteria for directors:**

Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, effective participation, and domain knowledge and so on, which are considered by the Committee and/or Board while evaluating the performance of each Director.

The performance evaluation of the Independent Directors was carried out by the entire Board as well as Nomination and Remuneration Committee.

**(e) Salient features of policy on remuneration of directors, key managerial personnel & senior employees:**

The Company has formulated the remuneration policy for its directors, key managerial personnel and Senior Employees keeping in view the following objectives:

- » To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- » To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- » To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

**(1) Criteria for Selection of Directors:**

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee ("NRC") satisfies itself with regard to the independence nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. NRC ensures that the candidate identified for Appointment / Re- Appointment as an Independent Director is not disqualified for Appointment / Re-Appointment under Section 164 of the Companies Act, 2013.
- d. NRC considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

1. Qualification, expertise and experience of the Directors in their respective fields;

2. Personal, Professional or business standing;

3. Diversity of the Board.

e. Board of Directors take into consideration the performance evaluation of the Directors and their engagement level.

(2) Criteria for Selection of KMP/Senior Management:

a. NRC ensures that the candidate possesses the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.

b. NRC considers the practice and encourage professionalism and transparent working environment.

c. NRC considers to build teams and carry the team members along for achieving the goals/ objectives and corporate mission.

(3) Remuneration:

A. Remuneration to Executive Directors and KMP:

i) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

ii) The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the KMP of the Company.

iii) The remuneration structure to the Executive Directors and KMP shall include the following components:

- Basic Pay
- Perquisites and Allowances
- Stock Options
- Commission (Applicable in case of Executive Directors)
- Retrial benefits

B. Remuneration to Non-Executive Directors:

i) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

ii) Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non- Executive and Independent Directors shall also be entitled to remuneration by way of commission in addition to the sitting fees.

#### C. Remuneration to Senior Employees:

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

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

### **5. REMUNERATION OF DIRECTORS**

#### **(a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity**

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors that may have potential conflict with the interests of the Company at large.

#### **(b) Disclosures with respect to remuneration:**

All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.;

#### **Executive & Whole-Time Directors**

The Nomination and Remuneration Committee of the Directors is authorized to decide the remuneration of the Managing Director, subject to the approval of Members, if required. The remuneration structure of the Company comprises salary/remuneration, perquisites & Allowances etc. The nature of employment of all Executive and Managing Directors is contractual as per the Company's policy.

The Company has one Managing Director on its Board, who is eligible to draw remuneration as per the Board and Shareholder's approval. However, the Managerial Persons viz. Mr. Bhumishth Patel Managing Director has decided not to draw any remuneration from the Company and accordingly no remuneration including any allowances and/or performance linked Bonus/Commission was paid to the Managerial Persons during financial year 2021-2022.

## **Terms of Appointment of Directors**

As required under Regulation 36(3) of SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment/reappointment are given in Notice of the 10<sup>th</sup> Annual General Meeting. Terms of Appointment of the Managing Director as per the resolutions passed by Board and Shareholders are as under:

### **I. Non-Executive & Independent Directors**

#### **Commission & Sitting fees to Non-executive Directors**

The details of payment of commission and sitting fees paid to Non-Executive & Independent Directors for the FY 2021-22 are as under:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Commission</b>	<b>Sitting Fees</b>
1	Mr. Dahyabhai Patel	Nil	Nil
2	Mr. Parimal Patwa	Nil	Nil
3	Mr. Bhavesh Sonasara	Nil	Nil
4	Mr. Harsh Kothari	Nil	Nil

The Company also reimburses out of pocket expenses incurred by the Directors, if any, for attending Board & Committee meetings.

### **III. Non-Executive & Non-Independent Director**

#### **Mr. Dahyabhai Patel**

Terms of remuneration of Mr. Dahyabhai Patel as approved by the Shareholders are as under:

**Remuneration paid to Mr. Dahyabhai Patel during the year 2021-22: NIL**

**Note:** As per Regulation 17(6)(ca) of the SEBI (LODR) Regulations, 2015, the approval of the members of the Company by way of special resolution, giving details of remuneration, is required every year for payment of annual remuneration to single non-executive Director exceeding 50% (fifty percent) of the total annual remuneration payable to all non-executive Directors of the Company.

#### **(C) Stock Option**

The Company has not granted any stock options to its Directors.

The Criteria of making payment to Non-Executive Directors is placed on the website of the Company.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

### (a) Composition

The Company has constituted Stakeholders Relationship Committee on 30<sup>th</sup> May, 2018. The constitution, composition and functioning of the Stakeholders Relationship Committee also meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. The Committee specifically looks into issues relating to various aspects of shareholders, *inter alia*, share related matters and redressal of grievances of Security holders. The Committee comprises three [3] directors and committee functions under the Chairmanship of an Independent Director.

### (b) Stakeholders' Relationship Committee Meetings:

Two [2] meetings were held during the year 2021-22. The dates on which the Stakeholders' Relationship Committee Meetings were held are: 10<sup>th</sup> June, 2021, 7<sup>th</sup> September, 2021 16<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022 Names of the members on the Committee, their Attendance in the Stakeholders' Relationship Committee Meetings, % of attendance during the year 2021-22 is given below:

Name	Status	No. of the Committee Meetings entitled	No. of the Committee Meetings attended
Mr.Parimal Patwa <sup>1</sup>	Member	2	2
Mr. Harsh Kothari <sup>2</sup>	Chairman	2	2
Mr. Hetarth . Patel <sup>3</sup>	Member	3	3
Ms. Narendrakumar Patel <sup>4</sup>	Member	0	0
Mr. Bhavik S. Patel <sup>5</sup>	Chairman	2	2
Ms. Payal Patel <sup>6</sup>	Member	4	4

<sup>1</sup>Mr. Parimal Patwa was appointed as Member of the Stakeholder Relationship Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>2</sup>Mr. Harsh Kothari was appointed as Chairman of the Stakeholder Relationship Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>3</sup>Mr. Hetarth Patel has resigned as Member from the Stakeholder Relationship Committee w.e.f. 7<sup>th</sup> September, 2021

<sup>4</sup>Mr. Narendrakumar Patel has resigned as Member from the Stakeholder Relationship Committee w.e.f. 8<sup>th</sup> May, 2021

<sup>5</sup>Mr. Bhavik Patel has resigned as Chairman from the Stakeholder Relationship Committee w.e.f. 7<sup>th</sup> September, 2021

### (c) Terms of reference, Role and Powers

The Company has adopted terms of reference and role of Stakeholders Relationship Committee as per Section 178 the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.



### **Role of Stakeholders Relationship Committee:**

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

### **(d) Other Information**

- To expedite the process of share transfer, transmission, split, consolidation, rematerialization and dematerialization etc. of securities of the Company, the Board of Directors has delegated the powers of approving the same to the Company's RTA namely Bigshare Services Private Limited, Ahmedabad under the supervision and control of the Company Secretary/ Compliance Officer of the Company, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the said Committee.

### **• Name, Designation and address of the Company Secretary & Compliance Officer**

Ms. Priya Raval, Company Secretary & Compliance Officer

Earum Pharmaceuticals Limited

G1, Ground Floor, V R Complex,

Near Sanathal Cross Road,

SP Ring Road, Sanathal.

Ahmedabad - 382210

Tel. No.: 079-48402525

Email: [cs@earumpharma.com](mailto:cs@earumpharma.com)

The Company has designated the email id ([cs@earumpharma.com](mailto:cs@earumpharma.com)) for grievances redressal and registering complaints by investor.

**Quarter-wise Summary of Investors Complaints received and resolved during the Financial Year 2021-22.**

**Quarter-wise Summary of Investors' Complaints received and resolved**

Quarter Period		Opening	Received	Resolved	Pending
From	To				
01-04-2021	30-06-2021	Nil	Nil	Nil	Nil
01-07-2021	30-09-2021	Nil	Nil	Nil	Nil
01-10-2021	31-12-2021	Nil	Nil	Nil	Nil
01-01-2022	31-03-2022	Nil	Nil	Nil	Nil

**(e) Non-receipt/Unclaimed dividends**

The Company has not declared dividend for any financial year till date and also there are Nil unclaimed dividend as on date.

**(f) Amount Transferred to IEPF Account**

As per the provision of Section 124(5) and Section 125 of the Companies Act, 2013, the Company is required to transfer the unclaimed Dividends, remaining unclaimed and unpaid for a period of seven years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government.

**7. INFORMATION ABOUT GENERAL BODY MEETINGS:**

**(a) Annual General Meeting**

Details of Venue, Date and Time of the Last Three Annual General Meetings are as follows:

Year	Venue	Date	Time
2018-19	A-1106, Empire Business Hub, Near AUDA Water Tank, Science City Road, Sola Ahmedabad - 380 060	27-09-2019	11:30 A.M.
2019-20	A-1106, Empire Business Hub, Near AUDA Water Tank, Science City Road, Sola, Ahmedabad -380 060	30-12-2020	3:00 P.M.
2020-21	Through Video Conferencing (VC) / Other Audio Video Means (OAVM)	06-09-2021	12:30 P.M.

### **(b) Special Resolution (without postal ballot) passed at the Last Three AGM**

The Company has not passed any special Resolution at the Last Three AGM

### **(c) Special Resolution passed through Postal Ballot Resolutions**

The Company has passed following special resolution through Postal Ballot as on 9<sup>th</sup> November, 2021:

1. To alter Capital Clause of Memorandum of Association on account of split/ sub-division of Equity Shares of the Company
2. To approve the stock split/sub division of Equity Shares of the Company from the face value of Rs. 10/- to face value of Rs. 2/- per share

The Company has passed following special resolution through Postal Ballot as on 18<sup>TH</sup> July, 2021:

1. Migration From SME Board To Main Board of BSE Limited
2. To Issue Bonus Shares

## **8. MEANS OF COMMUNICATION**

### **(a) Financial Results**

The Company regularly intimates quarterly unaudited as well as yearly audited financial results to the stock exchanges and Company website, immediately after the same are taken on record by the Board.

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

Results are normally published in Indian Express (English edition) and in Financial Express (Gujarati edition). These are not sent individually to the shareholders.

### **(c) Website, News Releases, Presentation etc.**

The Company's results, annual reports and official news releases are displayed on the Company's website. The said Company's website also containing basic information about the Company includes information about the Company's business, financial information, shareholding pattern, compliance with corporate governance, Company's director, registrar & transfer agent, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc.

The Company had meetings with and made presentations to the institutional investors and analysts during the year and the presentation made to analysts and investors are uploaded on the website of the Company.

### **BSE Listing Center**

BSE Limited has also launched a web based system for corporates to make their periodic submission of compliances online. Your company is also filing the Shareholding Pattern, Financial Result, Corporate Governance Report and all the intimation/ disclosures through the BSE Listing Center.

### **Processing of investor complaints in SEBI Complaints Redress System (SCORES)**

SEBI has commenced processing of investor complaints in a centralized web based complaints redress system "SCORES". By this facility investors can file their complaints on line and also view online movement of their complaints. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

### **Price Sensitive Information**

All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the Company's shares are listed, for dissemination to the Shareholders. The said information are also uploaded on the Company's website.

## **9. OTHER DISCLOSURES:**

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

There were no materially significant related party transactions that may have potential conflict with the interests of the Company.

### **(b) Details of non-compliance by the Company, penalties, and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years**

Your Company has complied with all the requirements of regulatory authorities. No penalty/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market.

### **(c) Vigil Mechanism/ Whistleblower Policy**

The Company has adopted the Whistleblower Policy and has established the necessary vigil mechanism for stakeholders, including individual employees and their representative bodies and directors to report concerns about illegal or unethical practices, unethical behavior, actual or suspect fraud or violation of Code of Conduct. It also provides adequate safeguard against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee. No person has been denied access to the Chairman of Audit Committee. The said policy is uploaded on the Company's website.

### **(d) Material Subsidiary**

The Company does not have any Holding / Subsidiary/ Associate Company and Joint Venture.

### **(e) Basis of Related Party Transaction**

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large in the financial year 2021-22.

These transactions are not likely to conflict with the interest of the Company at large. All significant transaction with related parties is placed before audit committee periodically.

The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company.

### **(f) Details of compliance with the mandatory requirements and extent of compliance with non mandatory requirements**

#### **• Compliance with the Corporate Governance Code**

The Company has complied with all the mandatory Corporate Governance requirements as well as specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015.

- The Company has complied with the requirement of corporate governance report mentioned under sub-para (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations, 2015.

- **Extent of compliance with the non-mandatory requirements and Discretionary Requirements specified in Part E of Schedule II**

- **Shareholder's Rights:** Quarterly, Half yearly and yearly financial results including summary of significant events are presently not being sent to the shareholders of the Company. However, quarterly financial results are published in the leading newspapers and are also available on the website of the Company.
- **Modified Opinion(s) in Audit Report:** There is no qualification on Auditor's report on standalone and consolidated financial statement to the shareholder of the Company.
- **Reporting of Internal Auditor:** The Board has appointed Internal Auditor of the Company. The Internal Auditor of the Company is regularly invited to the Audit Committee meeting and regularly attends the meeting. The Internal Auditors give quarterly presentation on their audit observation to the Audit Committee.

The Company has obtained a Certificate from CS Gaurav Bachani of M/s. Gaurav Bachani & Associates, Company Secretaries, Ahmedabad on compliance of conditions of Corporate Governance requirement as required under Schedule V (E) read with Regulation 34 (3) of SEBI (LODR) Regulations, 2015 and has attached the said certificate with the Boards' Report.

**(g) Disclosure of accounting treatment in preparation of Financial Statements**

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing financial statement.

**(h) MDA**

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.

**(i) CEO/CFO Certificate**

In compliance of the Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company give annual Certification on financial reporting and internal Control to the Board. As per the requirement of Regulation 33(2)(a) of SEBI (LODR) Regulations, 2015 the Managing Director and Chief Financial Officer also gives quarterly Certification on financial results while placing the financial results before the Board.

### **(j) Risk Management Policy**

The Company has framed formal Risk Management framework for risk assessment and risk minimization for Indian operation which is periodically reviewed by the Board of Directors to ensure smooth operations and effective management control. The Audit Committee also reviews the adequacy of the risk management frame work of the Company, the key risks associated with the business and measures and steps in place to minimize the same.

### **(k) Dividend Distribution Policy**

As per amendment made in Regulation 43A of SEBI (LODR) Regulations, 2015 vide SEBI Notification No. SEBI/ LAD-NRO/GN/2021/22 dated 5<sup>th</sup> May, 2021, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to formulate Dividend Distribution Policy. The Board has approved the Dividend Distribution Policy in line with said Regulation which is uploaded on the website of the Company.

### **(l) Other Policies**

The Company has also formulated policy for Preservation & Archival of documents and a policy for determining materiality of event and information for disclosures as per Listing Regulation, 2015.

Policy on Criteria of making payment to Non-Executive Directors.

The Board approved policy on Criteria of making payment to Non-Executive Directors as per Companies Act, 2013 and made amended from time to time.

Further, MCA vide its circulars dated 18<sup>th</sup> March, 2021 notifies amendment in Section 149(9) and Section 197 including Schedule V of the Companies Act, 2013 which allow the Independent Director to take remuneration in case of Company has no profit or inadequate profit subject to the provisions of Schedule V. Hence, the Company has revised Criteria of making payment to Non-Executive Directors to that extent.

The said policies are available on the website of the Company.

### **(m) Conflict of Interest**

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

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

No funds were raised through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.

**(o) Confirmation and Certification**

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from CS Gaurav Bachani of M/s. Gaurav Bachani & Associates, Company Secretaries, Ahmedabad, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

**(p) Payment to Statutory Auditors**

During 2021-22, total fees for all services paid by the Company to the Statutory Auditors i.e. M/s. J M Patel & Bros, Chartered Accountants, Ahmedabad, as under:

- M/s. J M Patel & Bros – ₹ 75,000/-

**(q) Sexual Harassment of Women at Workplace**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 (“Sexual Harassment Act”). Internal Complaints Committee (ICC) has been constituted for the Company’s various sites and workplace in compliance with the provisions of Sexual Harassment Act to redress complaints received regarding sexual harassment. There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment Act.

**(r) SEBI (Prohibition of Insider Trading) Regulations, 2015**

The Company has approved/adopted Code of Conduct for Insider Trading, as per SEBI (Prohibition of Insider Trading) Regulations, 2015 [“SEBI (PIT) Regulations”]



**(s) Availed services of NSDL to update e-mail ids of shareholders to send notice of 10<sup>th</sup> Annual General Meeting in compliance with the concern circulars issued by MCA and SEBI**

In view of the unprecedented outbreak of COVID-19 pandemic, MCA and SEBI vide their Circulars allowed Companies to hold Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Further, the said circulars have also permit to send Annual Report to Shareholders through email only and dispensed with the printing and dispatch of physical copy of annual reports to shareholders.

Accordingly, Notice of AGM along with the Annual Report for FY 2021-22 was being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. In this regard, as a part of Good Corporate Governance, the Company had availed services of Depository viz. National Securities Depository Limited (“NSDL”) to update the e-mail IDs of the shareholders to send Notice of AGM along with the Annual Report for FY 2021-22. By the said services, shareholders can update their email ID directly without approaching their DP, where they maintain their demat account. **(t)** During the year, the Board has accepted all the recommendations made by various committees including Audit Committee. There have been no instances during the year where recommendations of the any Committee were not accepted by the Board.

**10. GENERAL SHAREHOLDERS’ INFORMATION:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
1	Registered Office	G1, Ground Floor, V R Complex, Near Sanathal Cross Road, SP Ring Road, Sanathal, Ahmedabad - 382210
2	Annual General Meeting	25 <sup>th</sup> August, 2021 at 4:00 P.M. Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) pursuant to MCA / SEBI Circulars.
3	Financial Year	1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023
4	Financial Results	
	1 <sup>st</sup> Quarter	45 days from end of Quarter ended 30 <sup>th</sup> June, 2022
	Half Year ended	45 days from end of Quarter ended 30 <sup>th</sup> September, 2022
	Nine Months ended	45 days from end of Quarter ended 31 <sup>st</sup> December, 2022
	Year ended	60 days from end of Year i.e. 31 <sup>st</sup> March, 2023
5	Book Closure Dates	18 <sup>th</sup> August, 2022 to 25 <sup>th</sup> August, 2022 (both days inclusive)
6	Dividend Payment Date	Not Applicable

7	Listing of Shares on Stock Exchanges	<b>BSE Limited</b> The Company has paid the annual listing fees for the financial year 2022-23 to the Stock Exchange viz. BSE Limited, where the equity shares of the Company are listed.
8	Stock Exchange Code	542724
9	Registrar and Share Transfer Agents : Registrars and Share Transfer Agents (RTA) for both Physical and Demat Segment of Equity Shares of the Company:	Bigshare Services Private Limited  A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road, Navrangpura, Ahmedabad – 380 009 Email id: <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a>

### 11. Stock Price Data:

The shares of the Company were traded on the BSE Limited. The information on stock price data, BSE Sensex details are as under:

Month	BSE		
	High	Low	Shares Traded
April, 2021	71.30	67.75	3,000
May, 2021	64.40	64.40	3,000
June, 2021	61.20	47.45	5,67,000
July, 2021	110.05	53.50	7,68,000
August, 2021	137.70	72.00	8,17,500
September, 2021	132.00	110.25	3,55,072
October, 2021	121.50	69.25	2,98,516
November, 2021	81.65	62.10	6,20,424
December, 2021	81.35	10.00	1,58,92,373
January, 2022	12.00	7.75	5,21,92,212
February, 2022	8.40	6.14	78,33,595
March, 2022	7.08	5.14	1,40,16,736

### 12. Distribution of Shareholding as on 31<sup>st</sup> March, 2022:

No. of Equity Shares Held	No. of Share Holders	% of Share Holders	No. of Equity Shares Held	% of total Holding
1-5000	23275	91.51	9767568	15.84
5001-10000	1167	4.59	4390565	7.12
10001-20000	565	2.22	4141724	6.71
20001-30000	184	0.72	2325331	3.77
30001-40000	72	0.28	1282785	2.08
40001-50000	37	0.14	861117	1.4
50001-100000	93	0.37	3207939	5.2
100001- ∞	42	0.17	35702071	57.88
<b>Total</b>	<b>25435</b>	<b>100</b>	<b>61679100</b>	<b>100</b>

### **13. Category of Shareholders as on 31<sup>st</sup> March, 2022:**

<b>Category</b>	<b>No. of Shares held</b>	<b>% of Shareholding</b>
Promoters (Directors, Relatives & Group Companies)	30966013	50.21
Clearing Member	1097143	1.78
Corporate Bodies	290794	0.47
Non Resident Indian	522746	0.85
HUF	755030	1.22
Public	28047374	45.47
<b>Total</b>	<b>61679100</b>	<b>100</b>

### **14. Dematerialization of Shares & Liquidity**

The Company's shares are in compulsory demat segment and as on 31<sup>st</sup> March, 2022, 61679100 equity shares of the Company, forming 100.00% of the Company's paid-up equity share capital, is in dematerialized form. Company's shares are easily traded on the stock exchange i.e. BSE Main Board.

### **15. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity**

The Company has no outstanding GDRs/ADRs/ Warrants/Options or any convertible Instruments as on 31<sup>st</sup> March, 2022.

### **17. Share Transfer System**

All the shares related work is being undertaken by our RTA, Bigshare Services Private Limited, Ahmedabad. To expedite the process of share transfer, transmission, split, consolidation, rematerialisation and dematerialisation etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's RTA under the supervision and control of the Company Secretary, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the Stakeholders Relationship Committee.

In terms of Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI has fixed March 31, 2022 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Shares lodged for transfer at the RTA address in physical form are normally processed and approved within 15 days from the date of receipt, subject to

the documents being valid and complete in all respects. Normally, all the requests for dematerialization of shares are processed and the confirmation is given to the Depository within 15 days. The investors/ shareholders grievances are also taken-up by our RTA.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in practice for due compliance with the share transfer formalities as required under Clause 40(9) of SEBI (LODR) Regulations, 2015 read with SEBI Circular no. SEBI/ HO/MIRSD/RTAMB/CIR/P/2020/59, dated April 13, 2020.

#### **10. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT**

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/ paid-up capital of the Company were placed before the Stakeholders Relationship Committee every quarter and also submitted to the Stock Exchange(s) every quarter.

## **CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members of**  
**Earum Pharmaceuticals Limited**

We have examined the compliance of conditions of Corporate Governance by Deep Polymers Limited (the Company), for the financial year ended on 31<sup>st</sup> March, 2022 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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.

**FOR, GAURAV BACHANI & ASSOCIATES,**  
**COMPANY SECRETARIES**

**GAURAV V. BACHANI**  
**PROPREITOR**

ACS: 61110

COP: 22830

FRN: S2020GJ718800

Date: 26-07-2022

Place: Ahmedabad

Peer Review Certificate No.: 2126/2022

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

[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 of  
**Earum Pharmaceuticals Limited**  
G1, Ground Floor, V R Complex,  
Near Sanathal Cross Road,  
SP Ring Road, Sanathal,  
Ahmedabad - 382 210

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Earum Pharmaceuticals Limited** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Earum Pharmaceuticals Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Earum Pharmaceuticals Limited** ("the Company") for the Financial Year ended on 31<sup>st</sup> March, 2022, according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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; (Not applicable to the Company during the Audit Period).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - 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, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period).
  - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

I have also examined compliance with the Secretarial Standards issued by The Institute of Company Secretaries of India;

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

1. *Book Closure Intimation for the 9<sup>th</sup> Annual General Meeting was not submitted to the Stock Exchange.*

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of

Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

**FOR, GAURAV BACHANI & ASSOCIATES,  
COMPANY SECRETARIES**

**GAURAV V. BACHANI**

PROPREITOR

ACS No.: 61110

COP No.: 22830

FRN: S2020GJ718800

Peer Review Certificate No.: 2126/2022

UDIN: A061110D000689705

Date: 26/07/2022

Place: Ahmedabad

This report is to be read with our letter of even date which is annexed as Annexure – 3 and forms an integral part of this report.

To,  
The Members  
**Earum Pharmaceuticals Limited**  
Ahmedabad

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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.

**FOR, GAURAV BACHANI & ASSOCIATES,  
COMPANY SECRETARIES**

**GAURAV V. BACHANI**  
PROPREITOR  
ACS No.: 61110  
COP No.: 22830  
FRN: S2020GJ718800  
Peer Review Certificate No.: 2126/2022  
UDIN: A061110D000689705

Date: 26/07/2022  
Place: Ahmedabad



## 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 Disclosures Requirements) Regulations, 2015)**

**To,**  
**The Members of**  
**Earum Pharmaceuticals Limited**  
G1, Ground Floor, V R Complex,  
Near Sanathal Cross Road,  
SP Ring Road, Sanathal,  
Ahmedabad – 382 210

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Earum Pharmaceuticals Limited having CIN: L24230GJ2012PLC071299 and having registered office at G1, Ground Floor, V R Complex, Near Sanathal Cross Road, SP Ring Road, Sanathal, Ahmedabad - 382 210 (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](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Appointment in the Company</b>
1	Mr. Bhumishth Patel	02516641	26-07-2012
2	Ms. Payal Patel	05300011	26-07-2012
3	Mr. Bhavesh Sonesara	09104502	07-09-2021
4	Mr. Dahyabhai Patel	07061899	10-06-2021
5	Mr. Parimal Patwa	00093852	27-08-2021
6	Mr. Harsh Kothari	09310696	07-09-2021

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

**FOR, GAURAV BACHANI & ASSOCIATES,  
COMPANY SECRETARIES**

**GAURAV V. BACHANI  
PROPREITOR**

ACS: 61110

COP: 22830

FRN: S2020GJ718800

Peer Review Certificate No.: 2126/2022



**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT**

**Schedule V (D) of Regulation 34(3) of SEBI (LODR) Regulations, 2015**

This is to certify that the Company has laid down the rules for Code of Conduct for the members of the Board and senior management, as per the Regulation 17 of SEBI (LODR) Regulations, 2015.

I hereby further certify that the Company has received affirmation on compliance with rules of Code of Conduct, from the Board Members and senior management personnel for the financial year ended on March 31, 2022, as per the requirement of Regulation 26(3) of SEBI (LODR) Regulations, 2015.

**Sd/-**

**Bhumishth Patel**  
**Managing Director**  
**DIN: 02516641**

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## **Independent Auditors' Report**

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**To the Members of,**  
EARUM PHARMACEUTICALS LIMITED

### **Report On the Financial Statements**

We have audited the accompanying financial statements of EARUM PHARMACEUTICALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss for the year then ended and the summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain

EARUM PHARMACEUTICALS LIMITED

reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial control system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of the affairs of the company as at 31st March 2020, and its profits for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 subsection (11) of the Act The statement on the matters specified in the paragraphs 3 and 4 of the Order is not applicable to the company.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;

- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on MARCH 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on MARCH 31, 2020, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure-A**
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and accordance to the explanation given to us:
  - i. The company does not have any pending litigation which would impact its Financial Positions.
  - ii. The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For, M/s J M PATEL & BROS.,  
Chartered Accountants  
Firm Registration No.:107707W**

**CA JASHWANT M PATEL  
Partner  
Membership No. 030161  
Place: Ahmedabad  
Date: 18/04/2022  
UDIN : 22030161AHQXU3675**

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**Annexure-A to the Auditors' Report**  
**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

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We have audited the Internal Financial Controls over financial reporting of EARUM PHARMACEUTICALS LIMITED ("the Company") as of 31 MARCH 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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



## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 MARCH 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, M/s. J M PATEL & BROS.,**  
**Chartered Accountants**  
**Firm Registration No.:107707W**

**CA JASHWANT M PATEL**  
**Partner**  
**Membership No. 030161**  
**Place: Ahmedabad**  
**Date: 18/04/2022**  
**UDIN : 22030161AHQQXU3675**

## **REFERRED TO IN PARAGRAPH 10 OF OUR REPORT OF EVEN DATE**

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

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are not held in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - (e) According to the information and explanations given to us, the company has not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and there are no any proceedings pending against the company.
- (ii)
  - (a) The management has conducted the physical verification of inventory at reasonable intervals.
  - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) Pursuant to rules made by the central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of certain manufacturing activities as informed to us, the company is not required to maintain cost records.
- (vii)
  - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in

arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

- (viii) According to the information and explanations given to us and based on our examination of the records of the Company, there are no any transactions recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution, banks or government. The Company has not violate any provisions of clause 3 (ix) of the Order.
- (x) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x) of the Order is not applicable.
- (xi) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit. Accordingly, the provisions of clause 3 (xi) (b) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The company has system of appointment of internal auditor and internal audit system commensurate with the size and nature of its business. Internal Audit report also considered, if any.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
- (xvii) According to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There were No case of resignation of the Statutory Auditors in the Company.
- (xix) According to the information and explanations given to us and based on our examination of the records of the Company, there are no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet.

- (xx) In our opinion and according to the information and explanations given to us, the Company is not falling under CSR under section 135 of the Companies Act, 2013. Accordingly, paragraph 3(xx) of the Order is not applicable.
- (xxi) According to the information and explanations given to us, the company has no any other branches hence there is no need of consolidated financial statements. Accordingly, paragraph 3(xxi) of the Order is not applicable.

**Place : Ahmedabad**  
**Date : 18/04/2022**

**For, J. M. PATEL & BROS.**  
**Chartered Accountants**  
**F.R.No. 107707W**

**(J. M. Patel)**  
**M.COM. F.C.A.**  
**M. No: 030161**  
**UDIN: 22030161AHQXU3675**



## **EARUM PHARMACEUTICALS LIMITED**

### **NOTE: 1 SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian Rupees rounded off to the nearest rupees in lakhs, unless wherever specifically mentioned otherwise.

#### **(b) USE OF ESTIMATES:**

The preparation of financial statement in conformity with Generally Accepted Accounting Principles require management to make estimate and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statement. Actual result could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **(c) REVENUE RECOGNITION:**

Sales are net of excise duty.

#### **(d) FIXED ASSETS**

The Gross Block of Fixed Assets is shown at historical cost, which includes taxes and other identifiable direct Expenses, less impairment loss. The cost of fixed assets includes the cost of acquisition including freight, taxes, duties and other identifiable direct expenses, except otherwise specifically excluded and expressed by way of note, attributable to acquisition of assets up to the date the asset put to use.

#### **(e) DEPRECIATION**

Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule XII of the Companies Act, 2013.

#### **(f) INVESTMENT**

Investments are valued at cost

**(g) VALUATION OF INVENTORIES:**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products, which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

**(h) EARNING PER SHARE:**

Basic earnings per share are calculated by dividing profit for the year attributable to the equity shareholder by weighted average number of equity shares outstanding during the year. The diluted EPS is the same as basic EPS.

**(i) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions are recognized in respect of obligations where, based on the evidence available, their existence at the balance sheet date is considered probable.

Contingent liabilities are shown by way of notes to the accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

Any contingent asset is not recognized in the Accounts

**(j) TREATMENT OF RETIREMENT BENEFITS:**

At present there is no eligible employee for payment of Gratuity. Leave encashment payable to employees is provided in the accounts on accrual basis.

**(k) TAXATION:**

Income taxes comprises of current & deferred taxes. Current taxes are measured at the amount expected to be paid to the income tax authorities in accordance with the Income Tax Act, 1961. Deferred income tax reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## **(I) BORROWING COSTS**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

## **(m) CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

All contingencies and events occurring after the Balance Sheet date, which have a material effect on the financial position of the Company, are considered for preparing the financial statements.

### **NOTE: 2 Additional Information to the Financial Statements:**

1. The previous year figures have been regrouped / reclassified, wherever Necessary to confirm with the figures of current year.
2. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current Assets, Loans and Advances in the ordinary course of the business will not be less than the amount stated in the Balance Sheet.

#### **3. Micro and Small Scale Business Enterprises :**

The management has initiated the process on identifying enterprises which have been providing goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprise Development Act, 2006. Accordingly, the disclosures requirement here under is not furnished.

4. Debit & Credit balances of outside parties (Including Debtors, Creditors, Loans Given and Loan taken) appearing in Balance Sheet is subject to confirmation by the respective parties.
5. The Company has taken unsecured loans/deposits from Directors Shareholders and other parties as per the stipulations of loan/credit facilities taken from Bank.
6. Quantity of inventories is based upon physical verification by the management and valuation is based on details of cost and realizable value (wherever applicable) considering the quality and other relevant factors ascertained by management. The quantities of inventories, sales and purchases are taken based on details worked out from the

bills and the stock records maintained by the company (wherever applicable).

7. Wherever the sufficient supporting is not available for the expenditure incurred by the company we have relied on the explanations given by the management.
8. Related Parties: As per AS-18 issued by ICAI, there are no related party transactions during the year.
9. During the year the company does not have any foreign transactions/ exchange earnings or loss.

**For, M/s. J M PATEL & BROS.,  
Chartered Accountants  
Firm Registration No.:107707W**

**For and on behalf of the Board of  
EARUM PHARMACEUTICALS  
LIMITED**

**CA JASHWANT M PATEL  
Partner  
Membership No. 030161  
Place: Ahmedabad  
Date: 18/04/2022  
UDIN : 22030161AHQQU3675**

**BHUMISHTH  
PATEL  
(Director)**

**PAYAL PATEL  
(Director)**



**EARUM PHARMACEUTICALS LIMITED**

**CIN:L24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**BALANCE SHEET AS ON 31st MARCH 2022**

Particulars	Note No.	As at	As at
		31st March,2022	31st March,2021
		Rs.	Rs.
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
1 (a) Fixed Assets	3	5,806,473	7,609,452
(i) Tangible Assets		-	-
(ii) Intangible Assets		-	-
(iii) Capital Work-In-Progress		-	-
(iv) Intangible Assets under Development		-	-
(b) Non-Current Investments	4	-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Long-Term Loans and Advances		-	-
(e) Other Non-Current Assets		-	-
<b>2 Current Assets</b>			
(a) Current Investments			
(b) Inventories	5	122,489,603	154,636,031
(c) Trade Receivables	6	150,426,785	106,729,523
(d) Cash and Cash Equivalents	7	529,891	585,120
(e) Short-Term Loans and Advances	8	5,747,707	6,191,925
(f) Other Current Assets	9	2,942,975	2,942,975
<b>TOTAL &gt;&gt;&gt;&gt;</b>		<b>287,943,434</b>	<b>278,695,026</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders Funds</b>			
(a) Share Capital	10	123,358,200	61,679,100
(b) Reserves and Surplus	11	43,894,499	83,332,706
(c) Money Received Against Share Warrants			-
<b>2 Share Application Money Pending Allotment</b>			-
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	12	-	23,789,334
(b) Deferred Tax Liabilities (Net)	13	106,703	106,703
(c) Other Long Term Liabilities			
(d) Long-Term Provisions			
<b>4 Current Liabilities</b>			
(a) Short-Term Borrowings	14	87,399,254.47	89,529,995.00
(b) Trade Payables			
i). Total outstanding dues of micro enterprise and small enterprise	15	-	-
ii). Total outstanding dues of creditors other than micro enterprise and small enterprise		12,060,021	12,941,885
(c) Other Current Liabilities	16	10,829,012	3,498,800
(d) Short-Term Provisions	17	10,295,745	3,816,502
<b>TOTAL &gt;&gt;&gt;&gt;</b>		<b>287,943,434</b>	<b>278,695,026</b>

As per our report of even date

For, Earum Pharmaceuticals Limited

For, M/s. J M PATEL & BROS,  
FRN:107707W

**BHUMISHTH PATEL**  
**(Managing Director)**  
DIN -02516641

**PAYAL PATEL**  
**(CFO & Whole Time Director)**  
DIN -05300011

CA JASHWANT M PATEL  
(M. NO: 030161)

PLACE: AHMEDABAD  
DATE: 18/04/2022

PRIYA RAVAL  
COMPANY SECRETARY

UDIN : 22030161AHQXU3675

**EARUM PHARMACEUTICALS LIMITED**

**CIN:L24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**PROFIT & LOSS ACCOUNT FOR THE TWELVE MONTH PERIOD ENDED ON 31ST March 2022**

Particulars	Note No.	For the Period Ended 31st March 2022	For the Period Ended 31st March 2021
		Rs.	Rs.
I. Revenue from Operations	18	210,356,380	410,836,799
II Other Income	19	77,035,654	89,320,755
<b>Total Revenue (I + II)</b>		<b>287,392,034</b>	<b>500,157,554</b>
<b>III. Expenses:</b>			
Purchases of material	20	218,254,247	483,416,010
Changes in Inventories	21	32,146,428	(20,693,541)
Employee Benefits Expenses	22	409,820	2,929,500
Finance Costs	23	822,588	9,305,005
Depreciation and Amortization expense	2	1,181,685	1,230,536
Other Expenses	24	3,760,365	22,793,540
<b>Total Expenses</b>		<b>256,575,132</b>	<b>498,981,050</b>
<b>IV. Profit before exceptional and extraordinary items and tax (III-IV)</b>		30,816,902	1,176,504
V. Exceptional Items Prior Period Expenses			
<b>VI. Profit Before Extraordinary Items and Tax (V - VI)</b>		30,816,902	1,176,504
VIII. Extraordinary Items			
<b>IX. Profit before tax (VII- VIII)</b>		30,816,902	1,176,504
X Tax expense:			
(1) Current tax		8576009	294125
(2) Deferred tax		0	0
<b>XI Profit (Loss) for the period from continuing operations (VII-VIII)</b>		22,240,893	882,379
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>22,240,893</b>	<b>882,379</b>
<b>XVI BALANCE BROUGHT FROM PREVIOUS YEAR</b>		-	-
<b>XVII BALANCE CARRIED TO BALANCE SHEET</b>		<b>22,240,893</b>	<b>882,379</b>
<b>XVIII Earnings per equity share:</b>			
<b>(1) Basic</b>		0.361	0.007
<b>(2) Diluted</b>		0.361	0.007

As per our report of even date

For, M/s. J M PATEL & BROS.,  
FRN:107707W

For, Earum Pharmaceuticals Limited

CA JASHWANT M PATEL  
(M. NO: 030161)

BHUMISHTH PATEL  
(Managing Director)  
DIN -02516641

PAYAL PATEL  
(CFO & Whole Time Director)  
DIN-05300011

PLACE: AHMEDABAD  
DATE: 18/04/2022

UDIN : 22030161AHQQXU3675

PRIYA RAVAL  
COMPANY SECRETARY

**EARUM PHARMACEUTICALS LIMITED**

**CIN:L24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**CASH FLOW STATEMENT**

	For the Year Ended 31st March 2022	For the Year Ended 31st March 2021
<b>Cash flows from operating activities</b>		
Profit before taxation	30,816,902	1,176,504
<b>Adjustments for:</b>		
Depreciation	1,181,685	1,230,536
Investment income	-	-
Deferred tax Liability	-	-
Interest expense	822,588	9,305,005
Profit / (Loss) on the sale of property, plant & equipment	-	-
<b>Working capital changes:</b>		
(Increase) / Decrease in trade and other receivables	(43,697,262)	62,808,188
(Increase) / (Decrease) in inventories	32,146,428	(20,693,541)
(Increase) / (Decrease) in Short Term Loan & Advance	444,218	4,229,745
(Increase) / (Decrease) in Other Current Assets	-	6,238,152
Increase / (Decrease) in Trade payables	(881,864)	(102,182,174)
Increase / (Decrease) in Short term Provisions	6,479,243	(2,541,891)
Increase / (Decrease) in Other Current Liabilities	7,330,212	(7,987,981)
Cash generated from operations	34,642,150	(48,417,456)
Interest paid	(822,588)	(9,305,005)
Income taxes paid	(8,576,009)	(294,125)
Dividends paid	-	-
<b>Net cash from operating activities</b>	<b>25,243,553</b>	<b>(58,016,586)</b>
<b>Cash flows from investing activities</b>		
Business acquisitions, net of cash acquired	-	30,270,000
Purchase of property, plant and equipment	-	(876,250)
Proceeds from sale of equipment	621,292	-
Acquisition of portfolio investments	-	-
Investment income	-	-
<b>Net cash used in investing activities</b>	<b>621,292</b>	<b>29,393,750</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	-	-
Proceeds from long-term borrowings	(23,789,334)	10,095,916
Proceeds from Short-term borrowings	(2,130,741)	18,858,421
Payment of Share Application Money	-	-
Share Capital Issue With Security Premium	-	-
<b>Net cash used in financing activities</b>	<b>(25,920,075)</b>	<b>28,954,337</b>
<b>Net increase in cash and cash equivalents</b>	<b>(55,230)</b>	<b>331,501</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>585,120</b>	<b>253,618</b>
<b>Cash and cash equivalents at end of period</b>	<b>529,891</b>	<b>585,120</b>

As per our report of even date

For, M/s. J M PATEL & BROS.,  
FRN:107707W

CA JASHWANT M PATEL  
(M. NO: 030161)

PLACE: AHMEDABAD  
DATE: 18/04/2022

UDIN : 22030161AHQXU3675

For, Earum Pharmaceuticals Limited

**BHUMISHTH PATEL**                      **PAYAL PATEL**  
 (Managing Director)                  (CFO & Whole Time Director)  
 DIN -02516641                          DIN-05300011

**PRIYA RAVAL**  
 COMPANY SECRETARY

**EARUM PHARMACEUTICALS LIMITED****CIN:L24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note : 10 SHARE CAPITAL**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of 2/- each	61,750,000	123,500,000	7,000,000	70,000,000
<b>Issued</b>				
Equity Shares of 2/- each	61,679,100	123,358,200	6,167,910	61,679,100
<b>Subscribed &amp; Paid up</b>				
Equity Shares of 2/-each fully paid	61,679,100	123,358,200	6,167,910	61,679,100
<b>Subscribed but not fully Paid up</b>				
Equity Shares of 2/- each, not fully paid up	-	-	-	-
<b>Total &gt;&gt;&gt;&gt;</b>	<b>61,679,100</b>	<b>123,358,200</b>	<b>6,167,910</b>	<b>61,679,100</b>

**Note 10.A: RECONCILIATION OF THE NUMBER OF SHARES**

Particulars	Equity Shares	
	Number	Rs.
Shares outstanding at the Beginning of the year	6,167,910	61,679,100
Shares Issued during the year	6,167,910	61,679,100
Shares bought back during the year	-	-
Shares outstanding at the year ended	12,335,820	123,358,200

**Note 10.B: TERMS/RIGHT ATTACHED TO EQUITY SHARES**

The company has only one class of shares i.e. Equity Shares having a face value of ` 2 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Note 10.C: Shareholder holding more than 5% shares as at the Balance Sheet date**

Sr. No.	Name of Shareholders	As at 31st March 2022		As at 31st March 2021	
		No. of Shares held	% Holding	No. of Shares held	% Holding
1	Mr. Bhumishth Patel	11,161,709	18.10	1,751,330	28.39
2	Mrs. Payal Patel	14,242,830	23.09	1,751,330	28.39
3	Mr. Narendra Patel	3,121,453	5.06	408,590	6.62
4	Mrs. Sushilaben Patel	2,439,881	3.96	408,618	6.62
	<b>Total &gt;&gt;&gt;&gt;</b>	<b>30,965,873</b>	<b>50.21</b>	<b>4,319,868</b>	<b>70.02</b>

**EARUM PHARMACEUTICALS LIMITED****CIN:L24230GJ2012PLC071299**

G-1, Ground Floor ,V R Complex ,Nr Sanathal Cross Road ,S P Ring Road ,Sanathal ,Ahmedabad-382210

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 11 : RESERVES & SURPLUS**

Particulars	As at	As at
	31st March 2022	31st March 2021
	Rs.	Rs.
<b>a. Surplus</b>		
Opening balance	19,034,374	18,151,995
(+) Net Profit/(Net Loss) For the current year	22,240,893	882,379
(+) Add/(utilisation) of Reserve	(19,034,374)	-
<b>Closing Balance</b>	<b>22,240,893</b>	<b>19,034,374</b>
<b>b. Securities Premium Reserve</b>	<b>21,653,606</b>	<b>64,298,332</b>
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>43,894,499</b>	<b>83,332,706</b>

**Note 12: Long Term Borrowing**

Particulars	As at	As at
	31st March 2022	31st March 2021
	Rs.	Rs.
Secured Loan		
Unsecured Loan		
(a) Loans and advances from Directors and relatives (Unsecured and considered Good)	-	23,789,334
<b>Total &gt;&gt;&gt;&gt;</b>	<b>-</b>	<b>23,789,334</b>

**Note : 13 : DEFFERED TAX LIABILITY**

Particulars	As at	As at
	31st March 2022	31st March 2021
	Rs.	Rs.
<b>Deferred Tax Liability/(Asset)</b>		
<b>Opening Balance</b>	<b>106,703</b>	<b>106,703</b>
Add: DTL Created during the Year	-	-
<b>Closing Balance</b>	<b>106,703</b>	<b>106,703</b>
<b>Total &gt;&gt;&gt;&gt;</b>	<b>106,703</b>	<b>106,703</b>

**Note 14: Short Term Borrowing**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
<b>Secured Loan</b>		
<b>(a) OD Account</b>		
SBI	70,008,269	70,598,527.00
SBI-CCECL (TERM LOAN)	4,431,468	4,931,468.00
SBI-GECL ( TERM LOAN)	12,959,517	14,000,000.00
(Secured by Hypothication on Inventory cum Book Debts/CurrentAssets of the Company)		
<b>Total &gt;&gt;&gt;&gt;</b>	<b>87,399,254</b>	<b>89,529,995</b>

**Note : 15 : TRADE PAYABLES**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
<b>a. Trade Payables for Goods</b>		
Micro, Small & Medium Enterprises		
Others	12,144,121	12,895,918
<b>Total &gt;&gt;&gt;&gt;</b>	<b>12,144,121</b>	<b>12,895,918</b>
<b>b. Trade Payables for Assets</b>		
Micro, Small & Medium Enterprises		
Others	-	-
<b>Total &gt;&gt;&gt;&gt;</b>	<b>-</b>	<b>-</b>
<b>c. Trade Payables for Expenses</b>		
Micro, Small & Medium Enterprises		
Others	(84,100)	45,967
<b>Total &gt;&gt;&gt;&gt;</b>	<b>(84,100)</b>	<b>45,967</b>
<b>Grand Total (a + b + c) &gt;&gt;&gt;&gt;</b>	<b>12,060,021</b>	<b>12,941,885</b>

**Note : 16 : OTHER CURRENT LIABILITY**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
<b>(a) Duties &amp; Taxes</b>		
Tds Payable	15,445	1,405,141
TCS Payable	-	2,740
GST Payable	892,367	2,090,919
<b>(b) Loans and advances From Director and relatives</b>	9,921,200	-
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>10,829,012</b>	<b>3,498,800</b>

**Note : 17 : OTHER SHORT TERM PROVISION**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
Provision for Income Tax	10,235,745	3,756,502
Unpaid Audit Fees	60,000	60,000
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>10,295,745</b>	<b>3,816,502</b>

**Note: 03 : FIXED ASSET**

Particulars	Gross Block				Depreciation				Net Block	
	As at 01-Apr-21	Additions during the year	Deletions during the year	As at 31-Mar-22	Upto 01-Apr-21	During the Period	Deletion during the period	Total upto 31-Mar-22	As at 31-Mar-22	As at 31-Mar-21
<b>Tangible Asset</b>										
Computer	452,680.00	-	-	452,680.00	238,771.00	85,563.00	-	324,334.00	128,346.00	213,909.00
Electronic Installation	184,552.00	-	-	184,552.00	56,718.00	19,175.00	-	75,893.00	108,659.00	127,834.00
Furniture & Fixture	2,118,919.00	-	-	2,118,919.00	465,686.00	165,323.00	-	631,009.00	1,487,910.00	1,653,233.00
Mobile Instrument	955,834.00	-	-	955,834.00	308,784.00	258,820.00	-	567,604.00	388,230.00	647,050.00
Air Conditioner	474,234.00	-	-	474,234.00	153,998.00	48,095.00	-	202,093.00	272,140.00	320,236.00
CCTV	128,845.00	-	-	128,845.00	112,572.00	6,509.00	-	119,081.00	9,764.00	16,273.00
CAR (Fortuner)	3,772,214.00	-	-	3,772,214.00	776,903.00	449,296.50	-	1,226,199.50	2,546,014.50	2,995,311.00
Bolero (Pickup)	681,250.00	-	681,250.00	-	-	-	-	-	-	681,250.00
SCALE Machine	3,000.00	-	1,791.00	1,209.00	1,209.00	-	-	1,209.00	-	1,791.00
Stripping Machine	32,955.00	-	18,085.00	14,870.00	14,870.00	-	-	14,870.00	-	18,085.00
Office Equipment	1,354,589.00	-	-	1,354,589.00	361,896.00	148,903.50	-	510,799.50	843,788.50	992,693.00
<b>Intangible Asset</b>										
<b>Trade Mark</b>	90598	-	-	90,598.00	68977.00	-	0	68,977.00	21,621.00	21621
<b>Total</b>	10,442,111.00	-	701,126.00	9,548,544.00	2,560,384.00	1,181,685.00	-	3,742,069.00	5,806,473.00	7,609,452.00
<i>Previous Year</i>	-	-	-	-	-	-	-	-	-	-

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

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**NOTES FORMING PART OF FINANCIAL STATEMENTS****NOTE :04 : NON CURRENT INVESTMENT**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
<b>a. Non Current Investment</b> (Investment in Cedac Medicorp -55%)	-	-
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	-	-

**NOTE :05 : INVENTORY**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
Stock of Raw Material/Stock in Trade	122,489,603	154,636,031
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>122,489,603</b>	<b>154,636,031</b>

**Note 06 : TRADE RECEIVABLES**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
<b>Unsecured, Considered Good</b>		
(i) Outstanding for a period exceeding 6 months		
(ii) Others [Within 6 months]	150,426,785	106,729,523
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>150,426,785</b>	<b>106,729,523</b>

**Note 07 : CASH & CASH EQUIVALENTS**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
(a) Cash on hand	529,891	585,120.00
(b) Cheques, drafts on hand	-	-
(c) Current Accounts	-	-
In current accounts		
(d) Others (specify nature)	-	-
<b>Total &gt;&gt;&gt;&gt;&gt;&gt;&gt;</b>	<b>529,891</b>	<b>585,120</b>



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**Note 08 : SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
<b>a. Loans and advances to related parties</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less:Provision for doubtful loans and advances	-	-
<b>Total (a) &gt;&gt;&gt;&gt;&gt;</b>	<b>-</b>	<b>-</b>
<b>b. Loans and advances to other parties</b>		
Secured, considered good		
Unsecured, considered good	2,720,449	3,439,590
Doubtful		
Less:Provision for doubtful loans and advances		
<b>Total (b) &gt;&gt;&gt;&gt;&gt;</b>	<b>2,720,449</b>	<b>3,439,590</b>
<b>c. Balances with government authorities</b>		
Unsecured, considered good	3,027,258	2,752,335
<b>Total (c) &gt;&gt;&gt;&gt;&gt;</b>	<b>3,027,258</b>	<b>2,752,335</b>
<b>Total (a+b+c) &gt;&gt;&gt;&gt;&gt;</b>	<b>5,747,707</b>	<b>6,191,925</b>

**Note 09 : OTHER CURRENT ASSETS**

Particulars	As at 31st March 2022	As at 31st March 2021
	Rs.	Rs.
<b>Other Current Assets</b>		
<b>1. TDS Receivable</b>	-	-
<b>2. Advance From Creditors</b>	2,942,975	2,942,975
<b>Total &gt;&gt;&gt;&gt;&gt;</b>	<b>2,942,975</b>	<b>2,942,975</b>

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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**Note 18 : REVENUE FROM OPERATIONS**

Particulars	For the Period ended 31 March, 2022	For the Period ended 31 March, 2021
	Rs.	Rs.
a. Sale of Products :	210,356,380	410,836,799
<b>Total &gt;&gt;&gt;&gt;</b>	<b>210,356,380</b>	<b>410,836,799</b>

**Note 19 : OTHER INCOME**

Particulars	For the Period ended 31 March, 2022	For the Period ended 31 March, 2021
	Rs.	Rs.
Discount/ Kasar - Vatav Income	1,288	2,018,125
Sales Commission Income	77,023,009	86,398,363
Creditors w/off	-	730,514
Freight on Sales	11550	15,330
Other Income	-192.35	158,423
<b>Total &gt;&gt;&gt;&gt;</b>	<b>77,035,654</b>	<b>89,320,755</b>

**Note 20 : PURCHASE OF MATERIAL**

Particulars	For the Period ended 31 March, 2022	For the Period ended 31 March, 2021
	Rs.	Rs.
Purchase	218,254,247	483,416,010
<b>Total &gt;&gt;&gt;&gt;</b>	<b>218,254,247</b>	<b>483,416,010</b>

**Note : 21 : INCREASE/DECREASE IN STOCK**

Particulars	For the Period ended 31 March, 2022	For the Period ended 31 March, 2021
	Rs.	Rs.
Opening Balance Of Stock in trade	154,636,031.00	133,942,490
Less: Closing Balance Of Stock in Trade	122,489,603.00	154,636,031
Increase/Decrease in Stock in Trade	32,146,428.00	(20,693,541)
<b>Total &gt;&gt;&gt;&gt;</b>	<b>32,146,428.00</b>	<b>(20,693,541)</b>

**Note 22: EMPLOYEE BENEFIT EXP.**

Particulars	For the Period ended 31 March, 2022	For the Period ended 31 March, 2021
	Rs.	Rs.
Salary/Wages Exp	383,500	2,929,500
Staff Welfare Exp	26,320	-
<b>Total &gt;&gt;&gt;&gt;</b>	<b>409,820</b>	<b>2,929,500</b>

**Note 23: FINANCIAL EXP.**

Particulars	For the Period ended 31 March, 2022	For the Period ended 31 March, 2021
	Rs.	Rs.
Bank Charges	1,004	68,510
Interest on CC A/c	821,584	7,427,117
Interest on USL	-	367,950
Interest on CAR Loan	-	-
Interest on Loan	-	1,440,721
Loan Processing Fees	-	-
Interest Expense	-	707
Prepayment Charges	-	-
<b>Total &gt;&gt;&gt;&gt;</b>	<b>822,588</b>	<b>9,305,005</b>

**Note 24 : OTHER EXPENSES**

Particulars	For the Period ended 31 March, 2022	For the Period ended 31 March, 2021
	Rs.	Rs.
<b><u>Direct Expenses</u></b>		
Freight & Insurance Charges	103,297	158,640
Product Permission Charges	-	5,600
Rate Difference	58,918	-
<b><u>Indirect Expenses</u></b>		
Audit Fees	75,000	128,450
Computer Repairs & Maintenance	4,000	67,766
Conveyance Expenses	34,842	-
Electricity Charges	-	81,600
Insurance Charges	-	213,488
Internet Exp	12,390	8,718
Legal & Professional Charges	745,618	561,255
Office Expenses	264,529	897,906
Rent Expense	25,000	346,000
Petrol & Diesel Expenses	172,364	146
Postage & Courier Charges	-	8,640
Repair & Maintenance	127,349	133,244
ROC Charges	-	13,500
Sales Commission Expenses	1,845,455	17,900,014
Sales Promotion Expenses & Marketing Expense	42,353	1,885,745
Stationery & Printing Expenses	39,943	53,471
Telephone Expenses	6,273	24,552
GST Penalty	-	264,385
Travelling Expenses	168,158	14,162
Other Expenses	34,876	26,258
<b>Total &gt;&gt;&gt;&gt;</b>	<b>3,760,365</b>	<b>22,793,540</b>