

THRU ONLINE FILING

July 15, 2022

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 023

Dear Sir,

Sub: Annual Report 2021-22

We are enclosing herewith copy of our Annual Report for the financial year ended 31st March, 2022 for your perusal and record.

Kindly acknowledge the receipt.

Thanking you

Yours faithfully
For Makers Laboratories Limited


Rinku Kholakiya
Company Secretary
ACS 63175



ANNUAL REPORT 2021-22

MAKERS LABORATORIES LIMITED



Five Years' Highlights (Standalone)

(₹ Lacs)

	2017-18	2018-19	2019-20	2020-21	2021-22
Total Income	5792.35	4919.67	5162.21	4482.54	5325.74
Profit Before Tax	423.55	301.62	24.90	(207.41)	31.32
Profit /(Loss) After Tax	305.69	244.88	(12.38)	(161.66)	17.18
Share Capital	491.70	491.70	491.70	491.70	491.70
Reserves & Surplus	3190.49	3678.45	3970.23	4470.40	4538.32
Net Worth	3682.19	4170.15	4461.93	4962.10	5030.02
Net Block	1672.29	2451.91	3357.33	3071.42	3887.67
Earnings Per Share (₹)	6.22	4.98	(0.25)	(3.29)	0.35
Book Value Per Share (₹)	74.89	84.81	90.74	100.92	102.30

BOARD OF DIRECTORS

R. K. P. Verma	- Chairman / Independent Director	(DIN 02166789)
Vishal Jain	- Independent Director	(DIN 00137986)
Dipti Shah	- Independent Director	(DIN 07995542)
Prashant Godha	- Non-Independent Director	(DIN 00012759)
Saahil Parikh	- Wholetime Director	(DIN 00400079)
Nilesh Jain	- Wholetime Director	(DIN 05263110)

COMPANY SECRETARY

Rinku Kholakiya (ACS 63175)

AUDITORS

Natvarlal Vepari & Co.
Chartered Accountants
Firm Regn. No. 106971W
903-904, 9th Floor, Raheja Chambers
213, Nariman Point,
Mumbai-400 021

COST AUDITORS

Kale & Associates
Cost Accountants
703, Sushila CHS,
Kaka Sohni Marg,
Off Gadkari Marg,
Thane (West) 400 602

BANKERS

Yes Bank Ltd.

REGISTERED OFFICE

54-D, Kandivli Industrial Estate,
Charkop, Kandivli (West),
Mumbai 400 067
Tel : 022 - 2868 8544 Fax : 022 - 2868 8544

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-101, 247 Park,
LBS Marg, Vikhroli (West)
Mumbai – 400 083
Tel : 022 - 4918 6000 Fax : 022 - 4918 6060

WORKS

Plot No. 29/3, Phase III,
GIDC Industrial Estate,
Naroda, Ahmedabad 382 330
Gujarat.
Tel : 079 - 2281 3057
Fax : 079 - 2282 2133

Plot No. 30/4, Phase III,
GIDC Industrial Estate,
Naroda, Ahmedabad 382 330
Gujarat.
Tel : 079 - 2281 3057
Fax : 079 - 2282 2133

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NOTICE is hereby given that the 37th ANNUAL GENERAL MEETING (AGM) of Makers Laboratories Limited will be held on Friday, 12th August, 2022 at 11.30 a.m. through Video Conferencing / Other Audio Visual Means (VC/OAVM) to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the financial year ended on 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2022 together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Nilesh Jain (DIN 05263110) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 42nd Annual General Meeting to be held in 2027, at such remuneration and reimbursement of out of pocket expenses as may be recommended by the Audit Committee and determined by the Board of Directors of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), Ms. Dipti Shah (DIN 07995542), Independent Director of the Company who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and SEBI Listing Regulations and who is eligible for reappointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of the Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for another (second) term of five consecutive years with effect from 29th January, 2023 till 28th January, 2028”.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Company hereby accords its approval to the re-appointment of and remuneration payable to Mr. Nilesh Jain (DIN 05263110) as the Wholetime Director of the Company for a further period of 3 years commencing 13th February, 2022 to 12th February, 2025 on the terms and conditions including remuneration as approved by the Nomination and Remuneration Committee of the Board and as set out in the agreement dated 13th February, 2022 entered into between the Company and Mr. Nilesh Jain, a copy whereof initialled by the Chairman for the purpose of identification is placed before the meeting, which agreement is hereby specifically approved.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution.”

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

“RESOLVED THAT in supersession of the earlier resolutions passed in this regard and pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations) as applicable and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contracts/transactions with M/s. Ipca Laboratories Limited, a related party, on such terms and conditions as may be mutually agreed upon, to purchase, sell or supply any materials, goods, plant & machineries or capital goods and also availing of / rendering of services like contract manufacturing services or loan license manufacturing services or provision of any other services, the value of which all taken together may exceed ten per cent of the turnover of the Company subject to however that the value of all the transactions aforesaid during any financial year shall not exceed in aggregate an amount of ₹30 crores (Rupees Thirty Crores Only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary in this regard.”

7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 (3) and such other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, M/s. Kale & Associates, Cost Accountants (Firm Registration No. 001819) who have been appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2022-23 be paid remuneration of ₹ 65,000/- (Rupees Sixty Five Thousand Only) plus applicable tax and reimbursement of traveling and other out of pocket expenses.”

IMPORTANT NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item Nos. 3 to 7 of the accompanying Notice is annexed hereto. The Board of Directors of the Company at its meeting held on 27th May, 2022 considered that the special business under Item Nos. 4 to 7 being considered unavoidable, be transacted at the 37th AGM of the Company.
2. General instructions for accessing and participating in the 37th AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting
 - a. In view of the outbreak of the COVID-19 pandemic, social distancing norms to be followed and the restriction imposed on movement / gathering of persons at several places in the country and pursuant to General Circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 37th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 37th AGM shall be the registered office of the Company situated at Plot No. 54D, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067.
 - b. In terms of the circulars issued by MCA and SEBI, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 37th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting and for participation in the 37th AGM through VC/OAVM Facility and e-Voting.

- c. The Members can join the AGM in the VC/OAVM mode between 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The 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, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction of first come first served basis.
 - d. Since the AGM will be held through VC/OAVM Facility, the Route Map of the AGM venue, proxy form and attendance slip is not annexed in this Notice.
 - e. 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 from time to time, 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 voting on the date of the AGM will be provided by NSDL.
 - f. In line with the circulars issued by MCA and SEBI, the Notice of the 37th AGM will be available on the website of the Company at www.makerslabs.com and on the website of BSE Limited at www.bseindia.com and also on the website of NSDL at www.evoting.nsdl.com.
 - g. Attendance of the Members participating in the 37th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 - h. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection on the website of the Company by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to investors@makerslabs.com.
 - i. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.
 - j. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with circulars issued by MCA and SEBI in this regard, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 37th AGM and facility for those Members participating in the 37th AGM to cast vote through e-Voting system during the 37th AGM.
 - k. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with circulars issued by MCA and SEBI from time to time.
3. The Instructions for Members for Remote E-Voting and joining General Meeting are as under:-
- a. The remote e-voting period begins on Tuesday, 9th August, 2022 at 9.00 a.m. and ends on Thursday, 11th 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. Friday, 5th 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 5th August, 2022.

- b. Any person who is not a Member as on the cut off date should treat this notice for information purpose only. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently
- c. 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

- i. 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"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider – NSDL 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 & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. 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. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once you 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 e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 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 helpdesk.evoting@cdslindia.com 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?

- 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.
- 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, your Password/OTP and a Verification Code as shown on the screen.

iv. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.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.

v. Your User ID details are given below :

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

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

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
 - a. 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 by 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'.
 - b. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

vii. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

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

viii. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

- ix. Now, you will have to click on “Login” button.
- x. 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.

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

- i. 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.
 - ii. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
 - iii. Now you are ready for e-Voting as the Voting page opens.
 - iv. 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.
 - v. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 - vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
4. General Guidelines for shareholders
- a. 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 scrutinizer@makerslabs.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on “Upload Board Resolution/ Authority Letter” displayed under e-voting tab in their login.
 - b. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
 - c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Dabke, Senior Manager, National Securities Depository Ltd., Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 at evoting@nsdl.co.in
5. 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:
- a. 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 investors@makerslabs.com.
 - b. 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 investors@makerslabs.com. If you are an individual shareholder 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 shareholder holding securities in demat mode.](#)

- c. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 - d. 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.
6. The instructions for members for e-voting on the day of the AGM are as under :
 - a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 - b. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast 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.
 - c. 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.
 - d. 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.
7. Instructions for Members for attending the AGM through VC/OAVM are as under:
 - a. 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 meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
 - b. Members are encouraged to join the Meeting through Laptops for better experience.
 - c. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - d. 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.
 - e. 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 investors@makerslabs.com. The same will be replied by the Company suitably.
8. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of 5th August, 2022.
9. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 37th AGM by email and holds shares as on the cut-off date i.e. 5th August, 2022, may obtain the User ID and password by sending a request to the Company's email address investors@makerslabs.com. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

10. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the AGM.
11. Ms. Jigyasa N. Ved (Membership No. FCS6488 CP6018) or failing her Mr. P. N. Parikh (Membership No. FCS327 CP1228) or failing them Mr. Mitesh Dhaliwala (Membership No. FCS8331 CP9511) of M/s. Parikh & Associates, Practising Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-Voting process (including e-Voting at the meeting) in a fair and transparent manner.
12. During the 37th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 37th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 37th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 37th AGM.
13. The Scrutinizer shall after the conclusion of e-Voting at the 37th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 37th AGM, who shall then countersign and declare the result of the voting forthwith.
14. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.makerslabs.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited (BSE).
15. Pursuant to the circulars issued by MCA and SEBI from time to time, in view of the prevailing pandemic situation and owing to the difficulties involved in dispatching of physical copies of the Notice of the 37th AGM and the Annual Report for the financial year 2021-22 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2022, the Auditors Reports and Directors Report are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s and who wish to receive the Notice of the 37th AGM and the Annual Report for the year 2021-22 and all other communication sent by the Company from time to time, can get their email address registered by following the steps as given below:-
 - a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, name, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address investors@makerslabs.com
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
16. The Notice of the 37th AGM and the Annual Report for the financial year 2021-22 including therein, inter-alia, the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2022, will be available on the website of the Company at www.makerslabs.com and the website of BSE Limited at www.bseindia.com. The Notice of 37th AGM will also be available on the website of NSDL at www.evoting.nsdl.com.
17. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 6th August, 2022 to Friday, 12th August, 2022 (both days inclusive) for the purpose of the Annual General Meeting.

18. Members are requested to:

- (a) intimate to the Company / their Depository Participant (“DP”), changes, if any, in their registered address at an early date;
- (b) quote their Registered Folio No. and/or DP Identity and Client Identity number in their correspondence;
- (c) encash the dividend warrants on their receipt as dividend amounts remaining unclaimed for seven years are required to be transferred to the ‘Investor Education and Protection Fund’ established by the Central Government under the provisions of the Companies Act, 2013. Pursuant to Section 124(5) of the Companies Act, 2013, all unclaimed dividend declared and paid upto dividend for the financial year 2010-11 have been transferred by the Company to the Investor Education and Protection Fund. Members who have not encashed their dividend warrants for subsequent period are requested to encash the same immediately.
- (d) Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred all shares in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF). The shareholders who wish to claim the said shares from the IEPF may claim the same by filing e-form No. IEPF-5 as prescribed under the said Rules available on iepf.gov.in along with requisite fee as decided by the Authority from time to time. The Member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.
- (e) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company’s records which will help the Company and the Company’s Registrars and Transfer Agents, Link Intime India Pvt. Ltd. (Link Intime) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime.

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 depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Pvt. Ltd.

19. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of the listed companies can be transferred only in dematerialized form with effect from 1st April, 2019 except in case of transmission or transposition or for re-lodged transfer requests. Further, SEBI vide its circular dated 2nd December, 2020 had fixed 31st March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares re-lodged for transfer shall be issued only in demat mode. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer.
20. The information required to be provided regarding the directors seeking appointment / re-appointment is furnished in the Report on Corporate Governance, which is annexed.

Registered Office:
54-D, Kandivli Industrial Estate
Kandivli (West), Mumbai – 400 067
Tel : 022 – 28688544
E-mail: investors@makerslabs.com
Website: www.makerslabs.com
CIN: L24230MH1984PLC033389

By Order of the Board
For Makers Laboratories Limited

Rinku Kholakiya
Company Secretary
ACS 63175

Mumbai
27th May, 2022

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 3**

M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W), retire as auditors of the Company under the provisions of Section 139 of the Companies Act, 2013 after completion of their initial period of appointment and they are eligible for re-appointment as the auditors of the Company for a 2nd term of 5 years under the provisions of Section 139 (2) of the Companies Act, 2013.

Therefore, It is now proposed to re-appoint M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) as the Statutory Auditors of the Company for a further period of 5 years from the conclusion of the 37th Annual General Meeting (AGM) and till conclusion of the 42nd AGM of the Company at such remuneration and reimbursement of out of pocket expenses as may be determined by the Board of Directors of the Company in consultation with the Audit Committee of the Board.

There shall be no material change in the audit fee payable to the statutory auditors from that is being currently paid to them.

M/s. Natvarlal Vepari & Co. is a firm of Chartered Accountants which was formed in the year 1959. The firm currently has seven partners and has been engaged, inter-alia, in the statutory audits of different industries for nearly six decades.

None of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

The Board of Directors accordingly recommend the resolution set out at Item No. 3 of the accompanying Notice for the approval of the members.

Item No. 4

Pursuant to the provisions of the Companies Act, 2013 (the Act), Ms. Dipti Shah (DIN 07995542) was appointed as an Independent Director to hold office for a term of five consecutive years upto 28th January, 2023, by the Members of the Company in the 33rd Annual General Meeting held on 2nd August, 2018.

As per Section 149 (10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years but shall be eligible for re-appointment on passing a special resolution by the Company for another (second) term of upto five consecutive years on the Board of a Company.

Based on the recommendation of Nomination and Remuneration Committee, performance evaluation of the Independent Director and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act and the Listing Regulations, Ms. Dipti Shah, being eligible for re-appointment as an Independent Director and offering herself for re-appointment, it is proposed by the Board of Directors to re-appoint her as an Independent Director of the Company for another (second) term of five consecutive years from 29th January, 2023 till 28th January, 2028.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Dipti Shah for the office of the Independent Director of the Company.

The Company has received declaration from Ms. Dipti Shah that she meets the criteria of independence as prescribed under Section 149 of the Act and under Listing Regulations.

Ms. Dipti Shah, aged 48 years is by qualification B.Com and LL.B and is practising as an Advocate at The High Court of Judicature at Mumbai and as Solicitor from England & Wales.

Her experience in the commercial and legal field will be of immense benefit to the Company.

She does not hold any equity shares of the Company.

She does not hold Directorship in any other Company.

She is not related to any Director or Key Managerial Personnel of the Company.

She is also a member of the Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Number of Board Meetings held and attended by her during her tenure as Director of the Company is given hereinbelow.

Details of number of board meetings held and attended by her during her tenure as a Director of the Company is as follows:

Financial year	No. of Board Meetings held in the financial year	No. of Board Meetings attended
2017-18	6	1
2018-19	6	5
2019-20	5	5
2020-21	6	6
2021-22	5	5

In the opinion of the Board, Ms. Dipti Shah fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for her re-appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Ms. Dipti Shah as an Independent Director setting out terms and conditions of her appointment would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day except Saturday.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Dipti Shah as an Independent Director.

Accordingly, the Board recommends Special Resolution in relation to re-appointment of Ms. Dipti Shah as an Independent Director for another (second) term of five consecutive years with effect from 29th January, 2023 till 28th January, 2028, for the approval by the shareholders of the Company.

Except Ms. Dipti Shah, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice. Ms. Dipti Shah is not related to any Director or Key Managerial Personnel of the Company.

This Explanatory Statement together with the accompanying Notice of the Annual General Meeting may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India (ICSI).

Item No. 5

At the meeting of the Board of Directors of the Company held on 9th February, 2022 and as recommended by the Nomination & Remuneration Committee, Mr. Nilesh Jain was re-appointed as the Wholetime Director of the Company for a further period of 3 years with effect from 13th February, 2022 to 12th February, 2025. Accordingly, an agreement setting out terms and conditions of his re-appointment including remuneration payable to him is entered into by the Company with Mr. Nilesh Jain, Wholetime Director on 9th February, 2022.

This re-appointment is in compliance with Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and is subject to the approval of the shareholders. The Agreement referred to in the resolution at item 5 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mr. Nilesh Jain upon his re-appointment as the Wholetime Director

Mr. Nilesh Jain, aged 46 years is by qualification a Commerce Graduate (B. Com) and M.M.S. (Masters in Management Studies) from Mumbai University.

He has nearly 25 years of experience in the field of Materials Management / Marketing Management, Business Development and General Management. He was initially working with the Company from December 2008 till May 2011 as Business Development Manager. He rejoined the Company in March 2017 as Sr. Manager – Materials and was appointed as an Director / Wholetime Director of the Company with effect from 13th February, 2019. Mr. Nilesh Jain is also the member of the Audit Committee and Risk Management Committee of the Board of Directors of the Company.

He does not hold directorship in any other Company.

He does not hold any equity shares in the Company.

Mr. Nilesh Jain is not debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

He is not a member of any Committee or Director on the Board of any other company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company is given in the Company's Corporate Governance Report annexed with the Annual Reports.

The Agreement referred to in the resolution at item 5 of the accompanying notice sets out the remuneration and other terms and conditions applicable to Mr. Nilesh Jain upon his appointment as the Wholetime Director.

The abstract of the terms and conditions of his appointment as mentioned in the said Agreement are as follows:

1. Period: 3 (three) years with effect from 13th February, 2022.
2. The Wholetime Director shall exercise and perform such powers and duties as the Board shall from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board and perform all other acts, deeds and things which, in the ordinary course of business, he may consider necessary or proper in the interest of the Company.
3. The Wholetime Director shall devote his whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall use his best endeavors to promote interests of the Company.
4. During the period of his employment the Wholetime Director shall whenever required by the Company undertake such travelling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company.
5. The Company shall, in consideration of the performance of his duties, pay to the Wholetime Director during the continuance of this Agreement, the following remuneration :
 - a. Salary of ₹1,80,000/- (Rupees One Lac Eighty Thousand Only) per month with such increments as may be decided by the Board subject to a ceiling of ₹ 3,00,000/- (Rupees Three Lacs Only) per month.
 - b. Commission: Such remuneration by way of commission, in addition to the above salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year and as may be determined by the Board of Directors of the Company, subject to the overall ceilings stipulated under Sections 197 and other applicable provisions of the Companies Act, 2013.

The specific amount payable to the Wholetime Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after annual accounts have been adopted by the shareholders.

- c. Perquisites: In addition to the salary and commission the Wholetime Director shall be entitled to the following perquisites :
 - i. Housing: The expenditure incurred by the Company on hiring furnished accommodation for the Wholetime Director will be subject to a maximum of thirty per cent of the salary. In case no

accommodation is provided by the Company, the Wholetime Director shall be entitled to the house rent allowance subject to the said ceiling of 30% of the salary.

- ii. Medical, Hospitalization and Health-care expenses Reimbursement: Expenses incurred for the Wholetime Director and his family to be paid in accordance with any rules specified by the Company subject to a ceiling of ₹ 25,000/- per annum.
- iii. Leave Travel Concession: For the Wholetime Director and his family, once in a year incurred in accordance with any rules specified by the Company subject to a ceiling of 1 month salary.
- iv. Personal accident insurance: As per the Rules specified by the Company.
- v. Provident Fund: Company's contribution to Provident Fund shall be as per the scheme applicable to the employees of the Company.
- vi. Contribution to National Pension Scheme: Company's contribution to any superannuation fund or national pension scheme shall be in accordance with the rules of the scheme as may be applicable or as may be framed / decided by the Company.

Contribution to provident fund, superannuation fund and national pension scheme will not be included in the computation of perquisites to the extent these either singly or put together are not taxable under the Income-tax Act.

- vii. Gratuity : As per the rules of the Company, payable in accordance with the Approved Gratuity Fund and which shall not exceed half a month's salary for each completed year of service.
Contribution to provident fund and gratuity will not be included in the computation of perquisites.
- viii. Encashment of Leave: Encashment of Leave at the end of the tenure of the Wholetime Director will not be included in the computation of perquisites.
- ix. Car: Provision of car for use on Company's business is not to be considered as perquisites.
- x. Telephone: Telephone(s) at the residence of the Wholetime Director and mobile phone(s) for official use is not to be considered as perquisites.

6. In the event of no profit or inadequacy of profits, the Company shall pay the aforesaid remuneration to the Wholetime Director by way of salary and perquisites as minimum remuneration.
7. The Wholetime Director shall be entitled to annual privilege leave on full salary for a period of twenty working days and such leave shall be allowed to be accumulated for not more than thirty days during his tenure of appointment.
8. The Wholetime Director shall be entitled to :
 - a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors; and
 - b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors.
9. The Wholetime Director shall devote his whole-time attention and abilities to the business of the Company and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall use his best endeavors to promote interests of the Company.
10. As long as Mr. Nilesh Jain functions as the Wholetime Director, he shall not be paid any sitting fee for attending the Meetings of the Board of Directors or Committee thereof.
11. As long as Mr. Nilesh Jain functions as Wholetime Director, he shall not become interested or otherwise

concerned directly or through his wife and/or children, in any selling agency of the Company except with the consent of the Company accorded by a special resolution and the approval of the Central Government.

12. The Wholetime Director shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company or any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets, or secret processes of the Company and the Wholetime Director shall during the continuance of his employment hereunder also use his best endeavor to prevent any other person from so doing PROVIDED HOWEVER that such divulgence or disclosure by the Wholetime Director to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be contravention of this clause.
13. Any property of the company or relating to the business of the Company, including memoranda, notes, records, reports, plates, sketches, plans, recorded diskettes, drives, tapes, electronic memory gadgets or other documents which may be in the possession of or under the control of the Wholetime Director or to which the Wholetime Director has, at any time access shall, at the time of the termination of his employment be delivered by the Wholetime Director to the Company or as it shall direct and the Wholetime Director shall not be entitled to the copyright in any such document which he hereby acknowledges to be vested in the Company or its assigns and binds himself not to retain copies of any of them.
14. If the Wholetime Director shall at any time be prevented by ill health or accident or any physical or mental disability from performing his duties hereunder, he shall inform the Company and supply it with such details as it may reasonably require and if he shall be unable by reasons of ill health or accident or disability for a period of 90 days in any period of twelve consecutive calendar months, to perform his duties hereunder the Company may forthwith terminate his employment hereunder.
15. The Company shall be entitled to forthwith terminate the agreement if he becomes insolvent or makes any composition or arrangement with his creditors or he ceases to be a Director of the Company.
16. In case of death of the Wholetime Director in the course of his employment with the Company, the Company shall pay to his legal representatives the salary and other emoluments payable hereunder for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
17. If the Wholetime Director is guilty of inattention to or negligence in the conduct of the business or of any other act or omission inconsistent with his duties as Wholetime Director or of any breach of this Agreement which in the opinion of the Board renders his retirement from the office of Wholetime Director desirable, the Company by not less than thirty days notice in writing to the Wholetime Director determine this Agreement and upon the expiration of such notice the Wholetime Director shall cease to be the Director of the Company.
18. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement, at anytime by giving to the other party 60 days notice in writing in that behalf without the necessity of showing any cause and on the expiry of the period of such notice this Agreement shall stand determined and the Wholetime Director shall cease to be the Director of the Company. Provided that the aforesaid notice may be waived mutually by the parties hereto.
19. The terms and conditions including the remuneration payable to the Wholetime Director of the said appointment and/or Agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit.
20. This Agreement represents the entire agreement, between the parties hereto on the subject matter thereof.

Except Mr. Nilesh Jain himself and his relatives, none of the other Directors or Key Managerial Personnel of the Company or their respective relatives may be considered to be interested or concerned in passing of this resolution.

The Board of Directors accordingly recommends the resolutions set out at Item No. 5 of the accompanying notice for the approval of the members by way of an ordinary resolution.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of The Institute of Company Secretaries of India (ICSI).

I. General Information as required under Schedule V of the Companies Act, 2013		
1.	Nature of industry	Pharmaceuticals
2.	Date or expected date of commencement of commercial production	The Company is already in the business of manufacturing / marketing of pharmaceuticals.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	The details of the financial performance of the Company for the last 5 financial years are given in the 2 nd cover page of the Annual Report 2021-22 accompanying this notice.
5.	Foreign investments or collaborators, if any	None
II Information about the appointee		
1.	Background details	Mr. Nilesh Jain, aged 46 years is by qualification a Commerce Graduate (B. Com) and M.M.S. (Masters in Management Studies) from Mumbai University. He has nearly 25 years of experience in the field of Materials Management / Marketing Management, Business Development and General Management. He was initially working with the Company from December 2008 till May 2011 as Business Development Manager. He rejoined the Company in March 2017 as Sr. Manager – Materials. He was appointed as a Director / Wholetime Director of the Company with effect from 13 th February, 2019.
2.	Past remuneration	Mr. Nilesh Jain has over 2 decades of experience in the field of materials management, marketing management, business development and general management. Before being appointed as the Wholetime Director of the Company he was working as Senior Manager – Materials with the Company since March 2017 on a remuneration of ₹ 16.12 lacs per annum.
3.	Recognition or awards	None

	4.	Job profile and his suitability	His qualification and experience is of benefit to the Company and he is the suitable candidate to hold office of Wholetime Directorship in the Company in-charge, inter-alia, of commercial and marketing functions.
	5.	Remuneration proposed	As per the explanatory statement provided to item No. 5 of the accompanying notice.
	6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin.)	The remuneration paid / to be paid to the Wholetime Director is in line with the industry standard of similar size of Company.
	7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None.
III	Other information		
	1.	Reasons of loss or inadequate profits	The Company's margins are under pressure due to competition from small manufacturers. Outbreak of the Covid-19 pandemic has also impacted the Company's business during last two financial years.
	2.	Steps taken or proposed to be taken for improvement	Necessary steps are taken to improve the profitability like cost containment, new product addition, increasing the geographical reach of Company's marketing activities, etc.
	3.	Expected increase in productivity and profits in measurable terms	It is expected that the Company should do reasonably well in financial terms and increase the profitability within the next couple of years.
IV	Disclosures		
	1.	The following disclosures shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance', if any, attached to the annual report :-	
		i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors	Disclosed in Corporate Governance Report forming part of this Annual Report.
		ii) Details of fixed component and performance linked incentives along with the performance criteria	Furnished in the explanatory statement forming part of this notice.

	iii) Service contracts, notice period, severance fees	As per explanatory statement forming part of this notice and Corporate Governance Report accompanying this notice.
	iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	Not applicable since the Company has no scheme for grant of any stock option either to the Directors or to the employees.

Item No. 6

The Companies Act, 2013, under Section 188, inter-alia, provides that no contract or arrangement or transactions for sale, purchase or supply of any goods or materials exceeding ten per cent of the turnover of the Company or ₹ 100 crores whichever is lower or availing/rendering of any services exceeding ten per cent of the turnover of the Company or ₹50 crores whichever is lower shall be entered into by the Company except with the prior approval of the shareholders by a resolution.

It is proposed to enter into contracts/transactions for purchase/supply of materials, goods or providing of loan license / contract manufacturing services in the ordinary course of Company's business with M/s. Ipca Laboratories Limited, a related party within the definition under the Companies Act, 2013 and SEBI (LODR) Regulations.

The aggregate value of all such contracts/transactions for purchase or supply of materials, goods or rendering or availing of services is likely to exceed the limits prescribed under Section 188 of the Act read with Rules made thereunder. Therefore, the transactions of the Company with M/s. Ipca Laboratories Ltd. would be material transaction under the Companies Act, 2013 and in terms of Regulation 23 of the SEBI (LODR) Regulations. It is, therefore, proposed to obtain approval of the members to enter into such transactions with M/s. Ipca Laboratories Ltd. under Section 188 of the Companies Act, 2013 and Regulation 23 (4) of the said SEBI (LODR) Regulations by way of an Ordinary Resolution.

The particulars of the contracts/transactions, pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

- 1 Name of the related party: M/s. Ipca Laboratories Ltd.
- 2 Name of the director or Key managerial Person who is related: Both companies belong to same Promoters group. Mr. Prashant Godha, Director of the Company is also Executive Director of Ipca Laboratories Ltd.
- 3 Nature of relationship: Companies promoted by same promoters.
- 4 Monetary value: Estimated aggregate contract value for the matters proposed in the resolution will not exceed ₹ 30 Crores in any financial year.
- 5 Nature, material terms and particulars of arrangement:
 - i. Purchase/ sale of materials, capital goods, plant & machineries, packing materials, etc. at a market determined price that would be generally agreed by the trade / industry for similar nature of transaction.
 - ii. Availing of/rendering of services at a price that would be generally charged in the trade / industry for that particular type of service.
 - iii. Provision of common services at proportionate cost.
- 6 Period of contract: Continuous transactions on an ongoing basis.
- 7 The aggregate value of such contracts/ transactions with M/s. Ipca Laboratories Ltd. should not exceed ₹ 30 crores in any financial year.

The memorandum of terms and conditions of the transactions to be entered/entered into with M/s. Ipca Laboratories Ltd. is available for inspection on all working days at the Registered Office of the Company except on Saturday and Sunday.

All entities falling under the definition of related parties shall abstain from voting on this resolution irrespective of whether the entity is a party to the particular transaction or not.

Except Mr. Prashant Godha, Director who is also Executive Director of M/s. Ipca Laboratories Ltd., none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution set out at Item No. 6.

The Board of Directors recommend the passing of ordinary resolution set forth in the Notice for the approval of members.

Item No. 7

The Board of Directors on the recommendation of the Audit Committee has appointed M/s Kale & Associates, Cost Accountants (Firm Registration No. 001819), as the Cost Auditors of the Company for the financial year 2022-23. A Certificate issued by the firm regarding their eligibility for appointment as Cost Auditors is available for inspection electronically by the members without payment of fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect this certificate can send an email to Company's e mail ID investors@makerslabs.com.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. The Board has decided the remuneration payable to M/s. Kale & Associates as Cost Auditors as mentioned in the resolution on the recommendation of the Audit Committee. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution set out at Item No. 7.

The Board of Directors accordingly recommend the resolution set out at Item No. 7 of the accompanying Notice for the approval of the members.

Registered Office:
54-D, Kandivli Industrial Estate
Kandivli (West)
Mumbai – 400 067
Tel : 022 – 28688544
E-mail: investors@makerslabs.com
Website: www.makerslabs.com
CIN: L24230MH1984PLC033389

By Order of the Board
For Makers Laboratories Limited

Rinku Kholakiya
Company Secretary
ACS 63175

Mumbai
27th May, 2022

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 37th Annual Report and Financial Statements for the year ended 31st March, 2022.

STANDALONE AND CONSOLIDATED FINANCIAL RESULTS

	STANDALONE		CONSOLIDATED	
	For the year ended 31.3.2022 (₹Lacs)	For the year ended 31.3.2021 (₹Lacs)	For the year ended 31.3.2022 (₹Lacs)	For the year ended 31.3.2021 (₹Lacs)
Total Income	5325.74	4482.54	12980.60	6959.73
Profit before finance cost, depreciation and taxation	389.56	371.07	2144.44	906.64
Less : Finance Cost	167.54	158.90	173.26	175.10
Depreciation & Amortisation	190.70	419.58	402.35	461.07
Profit before tax	31.32	(207.41)	1568.83	270.47
Provision for taxation	14.14	(45.75)	397.10	135.61
Net Profit / (Loss) after Tax	17.18	(161.66)	1171.73	134.86

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the general reserve.

FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

In accordance with Indian Accounting Standard (Ind AS-110), the audited consolidated financial statements are also provided in the Annual Report.

CREDIT RATING

CARE Ratings has assigned the following ratings to the Company's long term bank facilities of ₹ 12.00 crores - CARE BBB+; Stable (Triple B Plus; Outlook: Stable) (Re-affirmed).

COVID –19 PANDEMIC

The Covid-19 pandemic and its aftermath has caused/continue to cause an unprecedented disruption in economic activities globally. India too suffered waves of Covid-19 pandemic during the financial year under report. However, there was no major lockdown and other containment measures as was seen during the initial period of the outbreak of Covid-19 pandemic.

Covid-19 pandemic is a healthcare crisis that has shaken global economy and has forced countries across the globe to invest more and more in healthcare infrastructure. The Covid-19 pandemic, which is still continuing, is expected to change the way we operate. The consumer behaviour and consumption pattern will also undergo changes.

Overall, till now there was no major impact on Company's financial performance due to Covid-19 pandemic. However, we may face more Covid-19 pandemic related uncertainties and challenges going forward. However, the extent to which the Covid-19 pandemic may impact the Company, its operations and financials will depend on future developments in this regard.

MANAGEMENT DISCUSSION AND ANALYSIS

(a) Financial Performance and Operations Review

On a standalone basis, the sales and other income for the financial year under report amounted to ₹ 5325.74 lacs as compared with ₹ 4482.54 lacs for the previous year, a growth of 19%.

The Profit before Interest, Depreciation and Taxation increased by 5% to ₹ 389.56 lacs as compared to ₹ 371.07 lacs in the previous year. The operations of the Company have resulted in a net profit of ₹ 17.18 lacs as compared to a net loss of ₹ 161.66 lacs in the previous financial year.

The depreciation charges, finance cost and other overheads relating to new ophthalmic / eye drops manufacturing facility of your Company situated at GIDC, Naroda, Ahmedabad in the State of Gujarat which was commercialised in the previous financial year, impacted the profitability of the Company in the financial year under report. This manufacturing unit, apart from presently manufacturing only a few products commercially, is also currently engaged in the developing of more ophthalmic/eye drops for commercialisation after necessary product registration with the regulators. As the commercial production from this manufacturing unit gradually increases, the same shall result in improved profitability from this manufacturing unit.

On a consolidated basis, sales and other income for the financial year under report amounted to ₹ 12980.60 lacs as compared to ₹ 6959.73 lacs in the previous year and Profit after tax amounted to ₹ 1171.73 lacs as compared to ₹ 134.86 lacs in the previous financial year.

Your Company markets generic formulations which are mainly used by the dispensing doctors, nursing homes and hospitals. Due to repetitive lockdowns and other restrictions on movement of people imposed by several states as well as due to fear of getting infected with virus and conversion of several hospitals as dedicated covid-19 hospitals, the non-covid patient footfall reduced considerably at dispensaries, nursing homes and hospitals during most part of the previous financial year and also to some extent during some part of the financial year under report. Since medicines dispensed at these places is the main source of business for the Company's generics formulations, the reduced non-covid patient footfall at these places impacted the business of the Company during part of the financial year under report.

Apart from this, the substantial increase in the prices of several key active pharmaceutical ingredients used in the Company's major selling generic formulations such as Paracetamol continued even during the financial year under report. Due to the price control regime, the increased raw material cost could not be passed on by the Company to its customers for several of its formulations. This coupled with inflationary trend in the economy which resulted in increased operating cost also contributed in the reduction of margins in several products as well as lower business profitability during the financial year under report.

During the year, the Company added few generic formulations in the market place as well as increased its geographical coverage through appointment of new distributors.

Key Financial Ratios

		31 st March, 2022	31 st March, 2021
1.	Debtors Turnover Ratio	8.35	6.16
2.	Inventory Turnover Ratio	2.42	2.08
3.	Interest Coverage Ratio	2.33	2.34
4.	Current Ratio	0.72	1.10
5.	Debt Equity Ratio	0.39	0.32
6.	Operating Profit Margin (%)	2.05%	-2.26%
7.	Net Profit Margin (%)	0.33%	-3.65%
8.	Return on Net Worth	0.34%	-3.26%

Due to improvement in the business volumes resulting in improved operational efficiency and profitability, almost all of the above key financial ratios have improved compared to the previous financial year.

(b) Opportunities, Threats, Risk and Concerns

The Indian generic formulations market is currently in the growth phase. It is expected that use of generic formulations will gradually increase in India. However, cut throat competition, quality issues of generics manufactured in the country and non existence of organised generic formulations distribution and retailing system are the few causes of concern that is hampering the growth of generic formulations market in the country.

During the year under report, there was no change in the nature of Company's business.

(c) Internal Control Systems

The Company has an adequate internal control system including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorisation and approval procedures. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit Committee of the Board.

(d) Human Resources

Your Company continued to have cordial and harmonious relations with its employees at all levels.

Your Company has adopted quality culture across the organisation in all line and staff functions at all the locations. The quality culture has helped your Company in achieving productivity improvement, cost reduction and waste elimination through employee involvement at all levels.

Your Company had 145 permanent employees as at 31st March, 2022.

(e) Cautionary Statement

Certain statements in the Management Discussion and Analysis may be forward looking within the meaning of applicable securities laws and regulations and actual results may differ materially from those expressed or implied. Factors that would make differences to Company's operations include competition, price realisation, changes in government policies and regulations, tax regimes and economic development within India.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relate and the date of this report.

SHARE CAPITAL

The paid-up equity share capital of the Company as at 31st March, 2022 is ₹ 491.70 lacs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

To finance capital expenditure requirements for upgradation / modernization / capacity enhancement of Company's injectable unit situated at Plot No. 29/3, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382330, Gujarat, as well as to meet the general corporate purposes, your Company made a rights equity issue of 9,83,396 equity shares of ₹ 10/- each @ ₹ 150 per equity share, including a premium of ₹ 140/- per equity share aggregating to ₹ 14.75 crores on rights basis to the existing equity shareholders of the Company in the ratio of 1 equity share for every 5 equity shares held as on record date of 1st April 2022. This rights equity issue was oversubscribed and closed for subscription on 27th April, 2022. The rights equity shares have since been allotted and listed on BSE Ltd.

Post allotment of these rights equity shares, the paid-up equity share capital of your Company has now increased to 59,00,376 equity shares of ₹ 10/- each aggregating to ₹ 5,90,03,760/-. The proceeds of the rights equity issue is utilised/being utilised for the purposes for which this rights equity issue is made.

MODERNIZATION / UPGRADATION/ CAPACITY ENHANCEMENT OF COMPANY'S OLD LIQUID INJECTABLE UNIT

During the financial year under report, your Company started work on upgradation / modernization/capacity enhancement of its old liquid injectable manufacturing unit situated at Plot No. 29/3, Phase III, GIDC Industrial Estate, Naroda, Ahmedabad – 382330, Gujarat, with a capital outlay of ₹ 11.22 crores, so as to enable this manufacturing unit to be offered for WHO-GMP certification. This certification shall enable your Company to offer injectables manufactured at this manufacturing unit for marketing in various ROW countries, thus providing scope for exports. This facility upgradation / modernisation/ capacity enhancement project commenced in January, 2022 and is expected to be completed by May, 2022.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

Your Company has defacto control over the affairs of M/s. Resonance Specialties Ltd., a listed entity with 45.48% shareholding in the said company. Therefore, the Company treats Resonance Specialties Ltd. as its subsidiary.

RESEARCH & DEVELOPMENT

During the year under report, the Company has spent an amount of ₹ 38.45 lacs as R&D expenditure (0.72% of the turnover) as against ₹ 34.02 lacs spent in the previous financial year (0.75% of the turnover).

DIVIDEND

In view of the meagre profit, the Board of Directors do not recommend any dividend for the financial year under report.

INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

Till the financial year under report, the Company has transferred to the Investors Education and Protection Fund (IEPF) all the unpaid dividend amount required to be so transferred on or before the due date for such transfer. The Company has also transferred to IEPF, such of the Company's equity shares in respect of which the dividend declared has not been paid or claimed for seven consecutive years.

The details of the unpaid / unclaimed dividend for the last seven financial years are available on the website of the Company (www.makerslabs.com).

The Company has appointed the Company Secretary as its nodal officer under the provisions of IEPF.

DIRECTORS

Mr. Nilesh Jain retires as a director by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

At the meeting of the Board of Directors of the Company held on 9th February, 2022, Mr. Nilesh Jain was re-appointed as the Whole-time Director of the Company for a further period of 3 years with effect from 13th February, 2022. This re-appointment is subject to the approval of the shareholders at the ensuing Annual General Meeting.

At the meeting of the Board of Directors of the Company held on 4th November, 2020, Mr. Vishal Jain was appointed as an Additional / Independent Director of the Company and Mr. Prashant Godha was appointed as an Additional, Non-Executive, Non-Independent Director of the Company liable to retire by rotation. Both these appointments were approved by the shareholders at their meeting held on 18th August, 2021.

The Board of Directors at their meeting held on 27th May, 2022 have re-appointed Ms. Dipti Shah as the Independent Director of the Company for a further period of 5 consecutive years with effect from 29th January, 2023. This re-appointment is subject to the approval of the shareholders at the ensuing Annual General Meeting.

Mr. R. K. P. Verma, Ms. Dipti Shah and Mr. Vishal Jain who are independent directors have submitted declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations and there has been no change in the circumstances which may affect their status as independent directors during the year.

None of the directors of the Company are debarred from holding the office of Director by virtue of any SEBI order or order by any other competent authority.

In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

A brief note on Directors retiring by rotation and eligible for re-appointment as well as being appointed is furnished in the Report on Corporate Governance, annexed herewith.

KEY MANAGERIAL PERSONNEL (KMP)

During the financial year under report, the following persons are the Key Managerial Personnel:

Mr. Saahil Parikh	- Wholetime Director / CEO
Mr. Nilesh Jain	- Wholetime Director
Mr. Sandeep Kadam	- Manager – Accounts / CFO
Ms. Rinku Kholakiya	- Company Secretary

Ms. Khyati Danani resigned as the Company Secretary during the financial year under report. In her place, the Company has appointed Ms. Rinku Kholakiya as the Company Secretary.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee has laid down the criteria for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- the candidate should possess the positive attributes such as leadership, entrepreneurship, industrialist, business advisor or such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company;
- the candidate should be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 in case of appointment as an independent director; and
- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, medical, social service, professional teaching or such other areas or disciplines which are relevant for the Company's business.

BOARD EVALUATION

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors, Board of Directors and Committees of the Board. The criteria for performance evaluation is based on the various parameters like attendance and participation at meetings of the Board and Committees thereof, contribution to strategic decision making, review of risk assessment and risk mitigation, review of financial statements, business performance and contribution to the enhancement of brand image of the Company.

The Board has carried out evaluation of its own performance as well as that of the Committees of the Board and all the Directors.

PROFICIENCY OF DIRECTORS

All the Independent Directors of the Company have registered their names in the database maintained by the Indian Institute of Corporate Affairs, Manesar. Those Independent Directors who are not otherwise exempted have appeared and cleared / will appear and clear the common proficiency test conducted by the said institute within the prescribed time.

REMUNERATION POLICY

The objective and broad framework of the Company's Remuneration Policy is to consider and determine the remuneration, based on the fundamental principles of payment for performance, potential and growth. The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance and emphasising on line expertise and market competitiveness so as to attract the talent. The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel, which is approved by the Board of Directors, subject to the approval of shareholders, where necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration to directors, key managerial personnel and senior management personnel should also involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The Remuneration Policy is placed on the Company's website www.makerslabs.com.

Information about elements of remuneration package of individual directors is provided in the Annual Return as provided under Section 92(3) of the Companies Act, 2013 which is placed on the website of the Company.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

Details of the familiarisation program of independent directors are disclosed on the website of the Company www.makerslabs.com.

MEETINGS OF THE BOARD AND COMMITTEES THEREOF

This information has been furnished under Report on Corporate Governance, which is annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2022 and of the profit of the Company for the financial year;
- iii) that your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that your Directors have prepared the annual accounts on a going concern basis;
- v) that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

As per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with the requirements of Corporate Governance in all material aspects.

A report on Corporate Governance (Annexure 1) together with a certificate of its compliance from the Practising Company Secretary, forms part of this report.

FIXED DEPOSITS

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

AUDIT COMMITTEE

Details of the Audit Committee along with its constitution and other details are provided in the Report on Corporate Governance.

AUDITORS, AUDIT REPORT AND AUDITED ACCOUNTS

M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W) were appointed as the Statutory Auditors at the 32nd Annual General Meeting (AGM) of the Company for a term of 5 (Five) years i.e. till the conclusion of 37th AGM and this appointment was ratified by the shareholders of the Company at the 33rd Annual General Meeting of the Company held on 2nd August, 2018.

It is proposed to re-appoint M/s. Natvarlal Vepari & Co., Chartered Accountants, Firm Registration No. 106971W as the Statutory Auditors to carry out statutory audit activities of the Company for a further period of 5 (five) years from the conclusion of the 37th AGM of the Company and till completion of 42nd Annual General Meeting of the Company, and the necessary resolution for the same is placed for the approval of the shareholders at the ensuing Annual General Meeting.

The Auditors' Report read with the notes to the accounts referred to therein are self-explanatory and therefore, do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors.

COST AUDIT

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Kale & Associates, Cost Accountants (Firm Registration. No. 001819) were appointed as the Cost Auditors to conduct audit of cost records of the Company for the financial year 2021-22.

The Cost Audit Report for the financial year 2020-21, which was due to be filed with the Ministry of Corporate Affairs by 20th October, 2021 was filed on the 5th October, 2021.

The Company has maintained the cost accounts and cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Parikh & Associates, Practising Company Secretaries were appointed as the Secretarial Auditors for auditing the secretarial records of the Company for the financial year 2021-22.

The Secretarial Auditors' Report is annexed hereto. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditors.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility (CSR) is not applicable to the Company.

SAFETY, ENVIRONMENT AND HEALTH

The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are carried out in the manufacturing facility on safety and environment.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees or made investments in contravention of the provisions of the Section 186 of the Companies Act, 2013. The details of the loans and guarantees given and investments made by the Company are provided in the notes to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company http://www.makerslabs.com/pdf/Corporate_Policy_Related_Party_Transactions.pdf.

All the related party transactions are placed before the Audit Committee as well as the Board for approval on a quarterly basis. Omnibus approval was also obtained from the Audit Committee on an annual basis for repetitive transactions. Approval of the shareholders is also obtained, wherever necessary, in this regard.

Related party transactions are disclosed in the notes to the financial statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as Annexure 2 to this report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration and other details as set out in the said rules are provided as an Annexure in this annual report. The Company had no employee drawing remuneration in excess of the amount as mentioned under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The necessary information in respect of top 10 employees of the Company in terms of remuneration drawn is furnished in Annexure.

However, having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information under Explanation (2) to the above Rule is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours excluding Saturdays and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The full Annual Report including the aforesaid information is available on the Company's website www.makerslabs.com.

CODE OF CONDUCT

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.makerslabs.com. The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration signed by the Wholetime Director / CEO is given at the end of this Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

There is a Whistle Blower Policy in the Company and no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company www.makerslabs.com.

PREVENTION OF INSIDER TRADING

The Board has adopted a Code of Prevention of Insider Trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.makerslabs.com.

All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

CONSTITUTION OF COMMITTEE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy in line with the requirements of Prevention of Sexual Harassment of Women at the Workplace and a Committee has been set-up to redress sexual harassment complaints received, if any.

BUSINESS RISK MANAGEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are provided in the Report on Corporate Governance, which is annexed.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

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

In accordance with the requirements of Section 134 of the Companies Act, 2013, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is furnished as Annexure 4 to this report.

ANNUAL RETURN

In accordance with the requirements of Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, a copy of Annual Return in Form MGT-7 is placed on the website of the Company as part of Company's Annual Report 2021-22.

SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the co-operation and support extended to the Company by its bankers, suppliers and customers. Your Directors also place on record their appreciation of the continued hard work put in by employees at all levels.

Mumbai
27th May, 2022

For and on behalf of the Board
R. K. P. Verma
Chairman

ANNEXURE 1

REPORT ON CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, given below is a report on the Corporate Governance in the Company:

1. Company's philosophy on Code of Corporate Governance is to ensure :
 - i) that the Board and top management of the Company are fully appraised of the affairs of the Company that is aimed at assisting them in the efficient conduct of the Company's business so as to meet Company's obligation to the stakeholders.
 - ii) that the Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.
 - iii) that all disclosure of information to present and potential investors are maximised.
 - iv) that the decision making process in the organisation is transparent and are backed by documentary evidences.
 - v) The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations with regard to Corporate Governance.

2. Board of Directors

a) Composition and Category of directors

The present strength of the Board of Directors of the Company is 6 directors of which 2 are professional Non-Promoter Wholetime Directors, 1 Non-Executive, Non-Independent, Promoter Director and 3 Directors who are Non-Executive Independent Directors (including one woman director) comprising of at least one half of the total strength of the Board with independent judgement in the deliberation and decisions of the Board. The Chairman of the Board is an Independent Director.

b) Details of attendance of each director at the meeting of the board of directors and the last annual general meeting and shareholding held by them in the Company

Name of the Director	Category	No. of board meetings		Attendance at last AGM (18.08.2021)	No. of Equity shares held in the Company **
		Held	Attended		
Mr. R. K. P. Verma (DIN 02166789)	Chairman, Non-Executive Independent Director	5	5	Yes	Nil
Ms. Dipti Shah (DIN 07995542)	Non-Executive Independent Director	5	5	Yes	Nil
Mr. Vishal Jain (DIN 00137986)	Non-Executive Independent Director	5	5	Yes	6574
Mr. Prashant Godha (DIN 00012759)	Non-Executive, Non-Independent Promoter Director	5	5	Yes	94375
Mr. Saahil Parikh (DIN 00400079)	Executive, Non Independent Director	5	5	Yes	16842
Mr. Nilesh Jain (DIN 05263110)	Executive, Non Independent Director	5	5	Yes	Nil

**The above shareholding as at 31st March, 2022 is in respect of shares which are held by Directors as a first holder and in which shares they have beneficial interest.

c) Number of other companies or committees in which the Director is Member or Chairperson

Name of Director	No. of other companies in which Director (including private companies)	No. of committees in which Member (other than Makers)	No. of committees of which he/she is Chairman (other than Makers)
Mr. R. K. P. Verma	4	2	1
Ms. Dipti Shah	None	None	None
Mr. Vishal Jain	2	None	None
Mr. Prashant Godha	10	1	None
Mr. Saahil Parikh	None	None	None
Mr. Nilesh Jain	None	None	None

Note: Directorship held by Directors mentioned above does not include Directorship of foreign companies.

Chairmanship and Membership of Audit Committee and Stakeholders Relationship Committee are only considered.

Mr. R. K. P. Verma is an Independent Director on the Board of Directors of M/s. Krebs Biochemicals and Industries Limited and M/s. Resonance Specialties Ltd., listed entities. He is the Chairman of the Nomination & Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of M/s. Resonance Specialties Ltd. He is also a member of the Audit Committee and CSR Committee of the said Company.

Mr. Prashant Godha is a Director on the Board of M/s. Ipca Laboratories Ltd. and M/s. Resonance Specialties Ltd., listed companies. He is the member of the Nomination & Remuneration Committee and Corporate Social Responsibility Committee of the Board of Directors of M/s. Resonance Specialties Ltd. He is also a Member of Audit Committee, Corporate Social Responsibility Committee and Risk Management Committee of the Board of Directors of M/s. Ipca Laboratories Ltd.

None of the other Directors of the Company are on the Board of Directors of any listed company.

Every Director informs the Company about the Committee positions he or she occupies in the other listed entities and any changes in them as and when they take place, if any.

d) Number of meetings of the board of directors held during the financial year 2021-22 and dates on which held

5 (Five) board meetings were held during the Financial Year 2021-22. The dates on which the said meetings were held are as follows:

10 th June, 2021	13 th August, 2021	21 st September, 2021
10 th November, 2021	9 th February, 2022	

The last Annual General Meeting of the Company was held on 18th August, 2021.

e) Disclosure of relationships between directors inter-se

None of the Directors are related to each other.

f) Number of shares and convertible instruments held by Non-Executive Directors

This information about number of shares held by Non-Executive Directors in the Company is given in table above. None of the Directors hold any convertible instruments of the Company.

g) Web link where details of familiarisation programmes imparted to independent directors is disclosed

The Company has conducted familiarisation programs for the Independent Directors with regards to their role, rights and responsibilities as Independent Directors. The Independent Directors are also regularly briefed on the nature of the pharmaceuticals industry and the Company's business model. The familiarisation programs have been uploaded on the website of the Company at <http://www.makerslabs.com/pdf/appoinment/Familiarisation-Programs-for-2021-22.pdf>.

h) A chart or a matrix setting out the skills / expertise / competence of the board of directors

The Board considers that the following core skills / expertise / competence of the Board of Directors are required in the context of its business and its sector for it to function effectively: research & development, technical, manufacturing, marketing, commercial, regulatory, finance, legal and general management.

In the opinion of the Board, these skills / expertise / competence are actually available with its Board of Directors.

Skills / Expertise / Competence of the Board of Directors that are required in the context of business of the Company	Names of the Directors who have such skills / expertise / competence
Research & Development	Mr. Saahil Parikh
Technical	Mr. Saahil Parikh
Manufacturing & Marketing	Mr. Saahil Parikh Mr. Nilesh Jain Mr. R. K. P. Verma Mr. Vishal Jain Mr. Prashant Godha
Commercial	Mr. Saahil Parikh Mr. Nilesh Jain Mr. R. K. P. Verma Mr. Vishal Jain
Regulatory	Mr. Saahil Parikh
Finance	Mr. Saahil Parikh Mr. Nilesh Jain Mr. R. K. P. Verma Ms. Dipti Shah Mr. Vishal Jain Mr. Prashant Godha
Legal And General Management	Mr. Saahil Parikh Mr. Nilesh Jain Mr. R. K. P. Verma Mr. Prashant Godha Ms. Dipti Shah Mr. Vishal Jain

i) Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

It is confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

- j) Detailed reasons for the resignation of any independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided

During the financial year under report, none of the Independent Directors have resigned from the Board of Directors of the Company.

3. Audit Committee

a) Brief description of terms of reference

The terms of reference to this Committee, inter-alia, covers all the matters specified under Section 177 of the Companies Act, 2013 and also all the matters listed under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 such as oversight of the Company's financial reporting process; recommending the appointment/re-appointment, remuneration and terms of appointment of statutory auditors; review and monitor the Auditors independence and performance and effectiveness of audit process; approval of transactions with related parties; sanctioning of loans and investments; evaluation of internal financial control and risk management system; reviewing with the management annual financial statements and Auditors report thereon; quarterly financial statements and other matters as covered under role of Audit Committee in Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company as well as seek outside legal and professional advice.

The Audit committee reviews all the information that is required to be mandatorily reviewed by it under the corporate governance.

b) Composition, name of members and chairperson

The Audit Committee of the Company currently comprises of Mr. Vishal Jain, Chairman of the Committee, Mr. R. K. P. Verma and Ms. Dipti Shah, all being Independent Directors with independent judgment in the deliberation and decisions of the Board as well as Audit Committee and Mr. Nilesh Jain, Wholetime Director. All members of the Audit Committee have knowledge on financial matters and ability to read and understand financial statements. The Chairman of the Audit Committee is a successful entrepreneur having set-up and nurtured manufacturing units in the field of plastic household goods and ROPP closures. Mr. Saahil Parikh, Wholetime Director / CEO and Mr. Sandeep Kadam, Sr. Manager – Accounts / CFO who is in-charge of Finance function of the Company along with Statutory Auditors, Internal Auditors and Cost Auditors are invitees to the meetings of the Audit Committee.

Ms. Rinku Kholakiya, Company Secretary is the Secretary of this Committee.

M/s. Agarwal & Mangal, Chartered Accountants are appointed as the Internal Auditors of the Company under the provisions of Section 138 of the Companies Act, 2013.

c) Audit Committee meetings and the attendance during the financial year 2021-22

There were 5 (Five) meetings of the Audit Committee during the Financial Year 2021-22. The dates on which the said meetings were held are as follows:

10 th June, 2021	13 th August, 2021	21 st September, 2021
10 th November, 2021	9 th February, 2022	

The attendance of each member of the Audit Committee in the committee meetings is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Vishal Jain	5	5
Mr. R. K. P. Verma	5	5
Ms. Dipti Shah	5	5
Mr. Nilesh Jain	5	5

The previous annual general meeting of the Company was held on 18th August, 2021 and was attended by Mr. Vishal Jain, the Chairman of the Audit committee.

4. Nomination and Remuneration Committee

a) Brief description of terms of reference

- i. 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;
- ii. for every appointment of an independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare the description of role and capabilities required of an Independent Director. The person recommended to the Board for appointment as Independent Director shall have the capabilities identified in such description.
- iii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iv. devising a policy on diversity of board of directors;
- v. 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, remuneration and removal; and
- vi. whether to extend or continue the term of appointment of the independent directors on the basis of the report of performance evaluation of independent directors.

b) Composition, name of members and chairperson

The Company has a Nomination and Remuneration Committee of the Board which currently comprises of Mr. Vishal Jain, Chairman of the Committee, Mr. R. K. P. Verma and Ms. Dipti Shah, all independent directors to function in the manner and to deal with the matters specified in Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also to review the overall compensation structure and policies of the Company to attract, motivate and retain employees.

The Nomination and Remuneration Committee has adopted the following policies which are displayed on the website of the Company:

- i. Formulation of the criteria to recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management personnel and other employees (http://www.makerslabs.com/pdf/Corporate_Policy/Remuneration_Policy.pdf).
- ii. Formulation of criteria for evaluation of Independent Directors and the Board (http://www.makerslabs.com/pdf/Corporate_Policy/Evaluation_of_Directors.pdf).

- iii. Devising a policy on Board diversity (http://www.makerslabs.com/pdf/Corporate_Policy/Policy_on_Board_Diversity_of_the_Company.pdf).
- iv. Oversee the familiarization programmes for directors (http://www.makerslabs.com/pdf/appointment/Familiarisation_Programme_for_Independent_Directors.pdf).
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal (https://makerslabs.com/pdf/Corporate_Policy/Criteria_for_selection_of_Candidates_for_Senior_Management_and_Members_on_the_Board.pdf).

c) Meeting and attendance during the financial year 2021-22

There was 1 (One) meeting of this Committee during the Financial Year 2021-22. The date on which the said meeting was held is as follows:

9 th February, 2022

The attendance of each member of the Nomination and Remuneration Committee in the committee meeting is given below:

Name of the Director	No. of meeting held	No. of meeting attended
Mr. Vishal Jain	1	1
Mr. R. K. P. Verma	1	1
Ms. Dipti Shah	1	1

d) Performance evaluation criteria for Independent Directors

Performance criteria for evaluation of Independent Directors and the Board is displayed on the Company's website (weblink http://www.makerslabs.com/pdf/Corporate_Policy/Evaluation_of_Directors.pdf).

5. Remuneration of Directors

a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report

During the financial year under report, the non-executive Directors had no pecuniary relationship or transactions with the Company.

b) Criteria of making payments to non-executive directors

The non-executive Directors are paid only sitting fees and re-imbursment of out of pocket expenses incurred for attending the meetings of the Board of Directors and Committees thereof.

Details of payments made to Non-Executive Directors in the Financial Year 2021-22 are as under:

Name of the Director	Sitting fees Paid (₹)	Commission paid (₹)
Mr. R. K. P. Verma	1,85,000	Nil
Ms. Dipti Shah	1,45,000	Nil
Mr. Vishal Jain	1,95,000	Nil
Mr. Prashant Godha	75,000	Nil

None of the Independent Directors have received any remuneration or commission from Company's holding or subsidiary companies except Mr. R. K. P. Verma who is a Independent Director on the Board of Company's subsidiary M/s. Resonance Specialties Ltd. and has received sitting fees from the said company for attending its Board and Committee Meetings.

c) Disclosures with respect to remuneration paid / payable to Wholetime Directors for the financial year 2021-22

- i. The details of the remuneration paid/payable to Wholetime Directors for the Financial Year 2021-22 are given below:

Name of Directors	Salary*	Benefits / Perquisites / Pension etc. *	Commission (performance linked)	Stock Options	Total (₹)
Mr. Saahil Parikh (Wholetime Director/ CEO)	32,79,467	20,74,402	-	-	53,53,869
Mr. Nilesh Jain (Wholetime Director)	19,95,264	9,53,629	-	-	29,48,893

* Fixed Component

- ii. Details of fixed component and performance linked incentives, along with the performance criteria

The required details are given in the table above.

- iii. Service contracts, notice period, severance fees

The appointment of Whole-time Directors is contractual and is generally for a period of 3 years. The Company has entered into agreement with Mr. Saahil Parikh on 15th June, 2020 which is valid upto 10th August, 2023 and with Mr. Nilesh Jain on 13th February, 2022 which is valid upto 12th February, 2025. Either party is entitled to terminate the agreement by giving not less than 60 days notice in writing to the other party. There is no separate provision for payment of severance fee in the agreements signed by the Company with them.

- iv. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

The Company currently has no outstanding stock options or other convertible instruments.

6. Stakeholders Relationship Committee

a) Name of Non-Executive Director heading the committee

The Stakeholders Relationship Committee currently comprises of Mr. R. K. P. Verma, Non-Executive / Independent Director, Chairman of the Committee, Mr. Vishal Jain, Non-Executive Independent Director and Mr. Saahil Parikh, Wholetime Director/CEO. This Committee functions in the manner and deals with the matters specified in Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The committee monitors share transfers, transmissions and other shareholders related activities including redressal of investor grievances.

Meetings held and attendance during the financial year 2021-22

There were 3 (Three) meetings of this committee during the financial year 2021-22. The dates on which the said meetings were held are as follows:

10 th June, 2021	13 th August, 2021
9 th February, 2022	

The attendance of each member of the Stakeholders Relationship Committee in the committee meetings is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. R. K. P. Verma	3	3
Mr. Vishal Jain	3	3
Mr. Saahil Parikh	3	3

Mr. R. K. P. Verma, the Chairman of the Committee attended the last Annual General Meeting of the Company held on 18th August, 2021.

b) Name and designation of Compliance officer

Ms. Rinku Kholakiya, Company Secretary is the Compliance Officer of the Company.

c) Number of shareholders' complaints received

During the year, the Company received no complaints from the shareholders.

d) Number not solved to the satisfaction of shareholders

The Company had no unattended request pending for transfer of its equity shares or any unattended complaints at the close of the financial year.

e) Number of pending complaints

Nil

7. General Body Meetings

a) Details of the location and time where the last three Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) were held

AGM for the financial year ended	Day, Date & Time of AGM	Place of AGM	Special Resolutions Passed
31-3-2021	Wednesday, 18 th August, 2021 at 3.30 p.m.	Through Audio-Visual Means	None
31-3-2020	Thursday, 10 th September, 2020 at 3.30 p.m.	Through Audio-Visual Means	None
31-3-2019	Thursday, 8 th August, 2019 at 11.00 a.m.	Anand Mangal Hall, Plot No. 150, Govt. Industrial Estate, Charkop, Kandivli (West), Mumbai- 400 067	None

All the resolutions as set out in the respective notices calling the AGM were passed by the shareholders.

There is no proposal to pass any special resolution through postal ballot at the ensuing Annual General Meeting.

b) Whether any special resolutions passed in the previous three annual general meetings

No special resolutions were passed in the previous three annual general meetings.

- c) Whether any special resolution passed last year through postal ballot**
No special resolution was passed in the last financial year using postal ballot.
- d) Person who conducted the postal ballot exercise**
Not Applicable
- e) Whether any special resolution is proposed to be conducted through postal ballot**
No special resolution is currently proposed to be conducted through postal ballot.
- f) Procedure for postal ballot**
Not applicable since no resolution is currently proposed to be passed through postal ballot.

8. Means of communication

- a) Quarterly / Annual Results : The results of the Company are submitted to the stock exchange where the shares of the Company are listed and published in the newspapers after the approval of the Board.
- b) Newspapers wherein results normally published : The Financial Express, Free Press Journal and Nav Shakti.
- c) Website, where displayed : www.makerslabs.com
- d) Whether website also displays official news releases : Yes
- e) Presentation made to institutional investors or to the analysts : Presentations were not made to institutional investors or analysts during the financial year 2021-22.

9. General Shareholders Information

- a) AGM : Date, Time and Venue : Friday, 12th August, 2022 at 11.30 am through video conferencing / other audio visual means (VC/OAVM). Plot No. 54D, Kandivli Industrial Estate, Kandivli (West), Mumbai shall deemed to be the venue of the AGM.
- b) Financial Year : 1st April –31st March
First quarter results : first week of August*
Second quarter results : first week of November*
Third quarter results : first week of February*
Annual results : last week of May*
* tentative
- c) Dividend Payment dates : The Company has not declared any dividend for the financial year ended 31st March, 2022.
- d) Date of Book closure : Saturday, 6th August, 2022 to Friday, 12th August, 2022 (both days inclusive) for the purpose of Annual General Meeting.
- e) The name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s) : BSE Ltd. (BSE)
Phiroze Jeej eebhoy Towers
Dalal Street, Mumbai 400 023
Listing fee has been paid to BSE for the financial year 2022-23 in April, 2022. The fees of the depositories for the financial year 2022-23 were also paid in April/May 2022 on receipt of their invoices.

- f) Stock code – Physical and ISIN : 506919 on BSE
Number for NSDL and CDSL : INE 987A01010
Corporate Identity Number allotted by : L24230MH1984PLC033389
Ministry of Corporate Affairs
- g) Market price data: high, low during : Please see Annexure ‘A’
each month in last financial year
- h) Stock performance in comparison to : Please see Annexure ‘B’
BSE Sensex
- i) In case the securities are suspended : The securities of the Company are not suspended from
from trading, the directors report shall trading by the Stock Exchange.
explain the reason thereof
- j) Registrars and share transfer agents : Link Intime India Private Limited
C-101, 247 Park,
LBS Marg, Vikhroli (West)
Mumbai – 400 083
Tel. No. (022) 4918 6000
Fax. No.(022) 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in
- k) Share transfer system : In terms of Regulation 40 (1) of SEBI (LODR)
Regulations, as amended from time to time, securities
can be transferred only in dematerialised form with
effect from April 1, 2019, except in case of requests
received for transmission or transposition of securities.
Further, SEBI has fixed March 31, 2021 as the cut-
off date for re-lodgement of transfer deeds and the
shares that are re-lodged for transfer shall be issued
only in dematerialized mode. The requests for effecting
transfer / transmission / transposition of securities
shall not be processed unless the securities are held
in dematerialized form. Transfer of shares in electronic
form are effected through the depositories with no
involvement of the Company. Members holding shares
in physical form are requested to consider converting
their shareholding to dematerialized form.
- l) Distribution of shareholding/ : Please see Annexure ‘C’
shareholding pattern as on 31.3.2022
- m) Dematerialisation of shares and : 97.11% of the paid-up share capital has been
liquidity dematerialised as on 31st March, 2022.
- n) Outstanding GDRs/ADRs/warrants/ : Not applicable since none of the said instruments are
convertible instruments, conversion ever issued.
date and likely impact on equity
- o) Commodity Price Risk or Foreign : The Company is not materially exposed to commodity
Exchange Risk and Hedging Activities price / foreign exchange risk. The Company also does
not carry out any commodity or currency hedging
activities.

- p) Plant Location : 1. Plot No. 29/3, Phase III
GIDC Industrial Estate
Naroda, Ahmedabad – 382 330 (Gujarat)
2. Plot No. 30/4, Phase III
GIDC Industrial Estate
Naroda, Ahmedabad – 382 330 (Gujarat)
- q) Address for Correspondence : Ms. Rinku Kholakiya
Company Secretary
Makers Laboratories Limited
54D, Kandivli Industrial Estate
Kandivli (W), Mumbai 400 067
E-mail: investors@makerslabs.com
Tel: (022) 2868 8544
Fax: (022) 2868 8544
- r) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad : CARE Ratings has assigned the following ratings to the Company's long term bank facilities of ₹ 12.00 crores - CARE BBB+; Stable (Triple B Plus; Outlook: Stable) (Re-affirmed)
- s) Share transfer and other communications may be addressed to the Registrars : Link Intime India Private Limited
C-101, 247 Park,
LBS Marg, Vikhroli (West)
Mumbai – 400 083
Tel. No. (022) 4918 6000
Fax. No.(022) 4918 6060
E-mail: rnt.helpdesk@linkintime.co.in

10. Other Disclosures

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

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink [http://www.makerslabs.com/pdf/ Corporate Policy / Related Party Transactions.pdf](http://www.makerslabs.com/pdf/Corporate_Policy_Related_Party_Transactions.pdf)). There were no materially significant related party transactions during the year that may have potential conflict with the interest of the Company.

The Register of Contracts containing the related party transactions is placed before the Board and Audit Committee regularly for its approval. Disclosures from directors and senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company at large.

Transactions with the related parties are disclosed in the notes to the accounts forming part of this Annual Report.

- b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any other statutory authorities on any matter related to capital market during the last 3 financial years**

None

- c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee**

There is a Whistle Blower Policy in the Company and that no personnel has been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism. The Whistle Blowing Policy is posted on the website of the Company www.makerslabs.com.

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

The Company has complied with all the applicable mandatory requirements of corporate governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details about adoption of non-mandatory requirements are given in the table below.

- e) Web link where policy for determining 'material' subsidiaries is disclosed**

The Board has approved a policy for determining 'material' subsidiaries which has been uploaded on the website of the Company. (Weblink https://makerslabs.com/pdf/Corporate_Policy/Policy_on_Material_Subsiidiaries.pdf).

- f) Web link where policy on dealing with related party transactions is disclosed**

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company (Weblink https://makerslabs.com/pdf/Corporate_Policy/Related_Party_Transactions.pdf).

- g) Disclosure of commodity price risks and commodity hedging activities**

The Company is engaged in the manufacturing and marketing of pharmaceuticals. Since the Company does not consume large quantities of commodities in its manufacturing activities, the Company is not materially exposed to commodity price risks nor does the Company do any commodity hedging.

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

The Company has not raised any funds through preferential allotment or through qualified institutional placement of its shares during the year.

- i) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority**

The Company has obtained a certificate in this regard from a Company Secretary in practice.

- j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof**

The Board has accepted and acted on all the mandatory recommendations of its committees during the financial year under report.

- k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

The fees paid by the Company to its Statutory Auditors are stated in the appended Audited Financial Statements of the Company. The Company's deemed subsidiary has not made any payment to Company's Statutory Auditors.

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

Number of complaints filed during the calendar year 2021 : None
 Number of complaints disposed of during the calendar year 2021 : None
 Number of complaints pending as on end of the calendar year 2021 : None

11. Non-Compliance of any requirement of Corporate Governance Report with reasons thereof

None

12. Adoption of Discretionary Requirements

A. The Board	The Company currently has a Non-Executive Chairman of the Board of Directors. However, the Company has not maintained any office for him.
B. Shareholders Rights	At present, the Company does not send the statement of half yearly financial performance to the household of each shareholder.
C. Modified opinion(s) in audit report	The Company's financial statements are with unmodified audit opinion.
D. Reporting of internal auditor	The firm of Internal Auditors reports to the Wholetime Director / CEO as well as to the Audit Committee.

13. The disclosures of the compliance with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46

- a) The Company has a process to provide, inter-alia, the information to the Board as specified in Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance. The Board also periodically reviews the compliances by the Company of all applicable laws.
- b) The Board of Directors in their meeting regularly discuss and are satisfied that the Company has plans in place for orderly succession for appointment to the Board of Directors and Senior Management.
- c) Code of Conduct for Board and Senior Managerial Personnel

The Board has laid down a code of conduct for Board members and senior management personnel of the Company. The code also incorporates the duties of independent directors as laid down in the Companies Act, 2013. The said code of conduct is posted on Company's website www.makerslabs.com.

The Board members and senior management personnel have affirmed compliance with the said code of conduct. A declaration in this regard signed by the Wholetime Director / CEO is given at the end of this Report.

The Company has adopted a code of conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. The same has been placed on the website of the Company www.makerslabs.com. All the Directors, senior management employees and other employees who have access to the unpublished price sensitive information of the Company are

governed by this code. During the year under Report, there has been due compliance with the said code of conduct for prevention of insider trading.

- d) The Company complies with the requirement of placing minimum information before the Board of Directors as contained in Part A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) The CEO/CFO compliance certification under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 forms part of this Annual Report.
- f) The Company has a Risk Management Committee which monitors and reviews risk management plan. The Board of Directors also periodically reviews and monitors the risk management plan of the Company.
- g) The Board on an annual basis evaluates the performance of Independent Directors. The Independent Directors have also given declarations that they fulfill the criteria of independence as specified in SEBI (LODR) Regulations, 2015 and that they are independent of the Company's management.
- h) Risk Management Committee

The Risk Management Committee was re-constituted by the Board of Directors at its meeting held on 13th February, 2019 and consists of the following members:

Mr. Vishal Jain, Independent Director, Mr. Saahil Parikh, Wholetime Director/CEO, Mr. Nilesh Jain, Wholetime Director and Mr. Sandeep Kadam, Sr. Manager Accounts/CFO.

The roles and responsibilities of the Risk Management Committee are as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes monitoring and review of risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, in addition to any other terms as may be referred to them by the Board of Directors, from time to time.

The risk management policy is displayed on the Company's website (weblink http://www.makerslabs.com/pdf/Corporate_Policy/Risk_Management_Policy.pdf).

There was two (2) meetings of the Risk Management Committee held during the financial year 2021-22. The dates on which the said meeting were held are as follows:

10 th November, 2021	9 th February, 2022
---------------------------------	--------------------------------

The attendance of each member of the Risk Management Committee in the committee meetings is given below:

Name of the Director/Executive	No. of meetings held	No. of meetings attended
Mr. Vishal Jain (appointed w.e.f. 10 th June, 2021)	2	2
Mr. Saahil Parikh	2	2
Mr. Nilesh Jain	2	2
Mr. Sandeep Kadam (Sr. Manager Accounts / CFO)	2	2

- i) The Company has formulated a policy on materiality of related party transactions and dealing with related party transactions including clear threshold limits approved by the Board which is available on the website of the Company (weblink http://www.makerslabs.com/pdf/Corporate_Policy/Policy_for_Determination_of_Materiality_of_Event.pdf).
- j) All related party transactions entered into by the Company with related parties are at an arms length basis and in the ordinary course of Company's business. Transactions with related parties

are disclosed under notes forming part of the accounts. The Board and the Audit Committee periodically reviews the details of the related party transactions entered into by the Company. Omnibus approval from the Audit Committee is also obtained before entering into related party transactions. The necessary shareholders resolution is also obtained wherever necessary.

- k) No employee including Key Managerial Personnel or Director or Promoter of the Company has entered into any agreement for himself or on behalf of other person with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

- l) **Subsidiary Companies**

The Company has defacto control over the affairs of M/s. Resonance Specialties Ltd., a listed entity with 45.48% shareholding in the said company. Therefore, the Company treats Resonance Specialties Ltd. as its subsidiary.

- m) None of the Director of the Company is a director or act as independent director in more than seven listed entities and none of the Wholetime Director serve as an Independent Director in more than 3 listed entities.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which they are Directors. All directors have disclosed their committee positions to the Company. For determining this limit, Chairpersonship and Membership of Audit Committee and Stakeholders Relationship Committee only are considered.

The shareholders have approved the appointment of Ms. Dipti Shah as Independent director for a term of five years w.e.f 29th January, 2018, Mr. R. K. P. Verma as Independent Director of the Company for a period of 5 years w.e.f 13th February, 2019 and Mr. Vishal Jain as Independent Director of the Company for a period of 5 years with effect from 4th November, 2020. Terms and conditions of their appointment as Independent Directors have been disclosed on the website of the Company www.makerslabs.com.

The shareholders have also approved the appointment of Mr. Prashant Godha as Non-Executive, Non-Independent Director of the Company liable to retire by rotation with effect from 4th November, 2020.

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013 and and Reg 16(1)(b) of SEBI LODR Regulations, all the independent directors have given declaration of independence in the first board meeting of the current financial year held on 6th May, 2022.

- o) **Independent Directors Meeting**

During the financial year under review, the Independent Directors met on 9th February, 2022 without the attendance of non-independent directors and members of the management, inter-alia, to discuss:

- i. Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- ii. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors; and
- iii. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the said meeting.

- p) The Company maintains a functional website (www.makerslabs.com) containing the basic information about the Company. The Company has disseminated all the required information

on its website as required under Regulation 46 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- q) Information on Directors retiring by rotation and seeking appointment / re-appointment

Mr. Nilesh Jain (DIN 05263110)

Mr. Nilesh Jain, aged 46 years is by qualification a Commerce Graduate (B. Com) and MMS (Masters in Management Studies) from Mumbai University. He has nearly 25 years of experience in the field of Materials Management / Marketing Management, Business Development and General Management. He was initially working with the Company from December 2008 till May 2011 as Business Development Manager. He rejoined the Company in March 2017 as Sr. Manager – Materials. He was first appointed as the Director / Wholetime Director of the Company with effect from 13th February, 2019.

He is also a member of the Audit Committee of the Board.

He does not hold directorship in any other Company.

He is not a member of any committee of Board of Directors of other companies since he does not hold Directorship in any other company.

Number of Board Meetings held and attended by him during his tenure as Director of the Company are given in the Company's Corporate Governance Reports.

He is not related to any other Director or Key Managerial Personnel (KMP) of the Company.

Ms. Dipti Shah (DIN 07995542)

Ms. Dipti Shah, aged 48 years is by qualification B.Com and LL.B and is practising as an Advocate at The High Court of Judicature at Mumbai and as Solicitor from England & Wales.

She does not hold any equity shares of the Company.

She does not hold Directorship in any other Company.

She is not related to any Director or Key Managerial Personnel of the Company.

She is also a member of the Audit Committee and Nomination and Remuneration Committee of the Board.

Number of Board Meetings held and attended by her during her tenure as Director of the Company are given in the Corporate Governance Reports.

- r) Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital of the Company. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- s) Dividend Distribution Policy

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, the Company has formulated a Dividend Distribution Policy which has been uploaded on the website of the Company (https://www.makerslabs.com/Corporate_Policy.html).

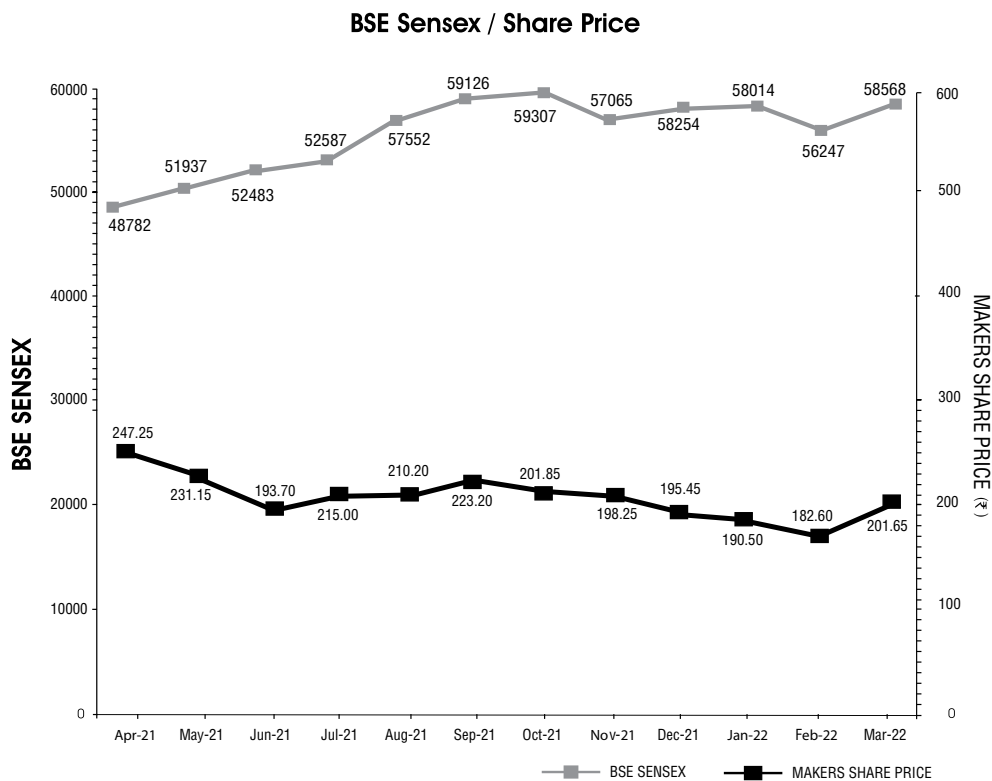
Annexure A

High/Low of Market price of the Company's shares traded on BSE Ltd. (BSE) during the financial year 2021-22 is furnished below:

Year	Month	Highest (₹)	Lowest (₹)	
2021	April	280.00	226.20	
	May	274.90	222.05	
	June	252.00	181.10	
	July	227.50	169.00	
	August	238.00	171.00	
	September	235.00	191.20	
	October	229.00	180.60	
	November	234.70	190.00	
	December	222.00	190.00	
	2022	January	232.85	189.00
		February	222.00	170.90
		March	199.90	167.70

Annexure B

Graph of Share Price/ BSE Sensex



Annexure C

The distribution of shareholding as on 31 st March, 2022 is as follows :						
No. of equity shares held			No. of shareholders	%	No. of shares	%
Upto		500	4167	87.49	483567	9.83
501	to	1000	304	6.38	238271	4.85
1001	to	2000	136	2.86	200549	4.08
2001	to	3000	44	0.92	110833	2.25
3001	to	4000	20	0.42	69924	1.42
4001	to	5000	20	0.42	94353	1.92
5001	to	10000	31	0.65	211782	4.31
10001	&	above	41	0.86	3507701	71.34
Grand Total			4763	100.00	4916980	100.00
No. of shareholders in Physical Mode			778	16.33	141867	2.89
No. of shareholders in Electronic Mode			3985	83.67	4775113	97.11

Shareholding pattern as on 31 st March, 2022 is as follows :			
Category	No. of shareholders	No. of shares	% holding
Indian Promoters	12	2869947	58.37
Banks and Insurance Companies	1	100	0.00
FIs and Mutual Funds	0	0	0.00
NRI	76	74649	1.52
Domestic Companies	36	168350	3.42
Resident Individuals / Others	4638	1803934	36.69
Total	4763	4916980	100.00

CEO CERTIFICATION27th May, 2022

To,
All the Members of
Makers Laboratories Ltd.

It is hereby certified and confirmed that as provided in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2022.

For Makers Laboratories Limited
Saahil Parikh
Wholetime Director / CEO

CEO/CFO CERTIFICATION27th May, 2022

The Board of Directors
Makers Laboratories Limited
54-D, Kandivli Industrial Estate,
Kandivli (West)
Mumbai – 400 067

We hereby certify that:

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

For Makers Laboratories Ltd.
Saahil Parikh
Wholetime Director / CEO

For Makers Laboratories Ltd.
Sandeep Kadam
Sr. Manager (Accounts) / Chief Financial Officer

**PRACTISING COMPANY SECRETARIES' CERTIFICATE ON
CORPORATE GOVERNANCE**

TO THE MEMBERS OF
MAKERS LABORATORIES LIMITED

We have examined the compliance of the conditions of Corporate Governance by Makers Laboratories Limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

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

For Parikh & Associates
Practising Company Secretaries
Jigyasa N. Ved
Partner
FCS: 6488 CP: 6018
UDIN: F006488D000406624
PR No.: 1129/2021

Mumbai,
27.05.2022

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

a)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	No. of shares – 2400 No. of shareholders - 27
b)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	0
c)	Number of shareholders to whom shares were transferred from suspense account during the year	0
d)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	No. of shares – 2220 No. of shareholders - 25
e)	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares

ANNEXURE 2**Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts / arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
 - (f) Date(s) of approval by the Board: Not Applicable
 - (g) Amount paid as advances, if any: Not Applicable
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: M/s. Ipca Laboratories Ltd., companies promoted by same promoters.
 - (b) Nature of contracts/arrangements/transactions:
 - i. Purchase/ sale of materials, capital goods, plant & machineries, packing materials, etc. at a market determined price that would be generally agreed by the trade / industry for similar nature of transaction.
 - ii. Availing of/rendering of manufacturing and other services at a price that would be generally charged in the trade / industry for that particular type of service.
 - iii. Provision of common services at proportionate cost.
 - (c) Duration of the contracts / arrangements/transactions: Continuous transactions on an ongoing basis.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Purchase/ sale of materials, capital goods, plant & machineries, packing materials, manufacturing on loan license basis, etc. on arm's length basis. Please see attached notes to Accounts for details.
 - (e) Date(s) of approval by the Board, if any: 27th May, 2022
 - (f) Date of approval of shareholders: 8th August, 2019 (Fresh approval of shareholders is also being obtained in the ensuing Annual General Meeting)
 - (g) Amount paid as advances, if any: None

Note: All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. Details of the related party transactions are given in the notes to the Accounts attached herewith.

Mumbai,
27th May, 2022

For and on behalf of the Board
R. K. P. Verma
Chairman

ANNEXURE 3

DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 is as under:

Sr. No.	Name of the Director / Key Managerial Personnel and Designation	Remuneration of Director / KMP for the financial year 2021-22 (₹)	% increase/ (decrease) in remuneration in the financial year 2021-22	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. R. K. P. Verma (Chairman)	1,85,000	(7.5%)	0.60
2.	Ms. Dipti Shah (Director)	1,45,000	(23.7%)	0.47
3.	Mr. Vishal Jain (Director)	1,95,000	225%	0.63
4.	Mr. Prashant Godha (Director)	75,000	150%	0.24
5.	Mr. Saahil Parikh (Whole Time Director/CEO)	53,53,869	6.6%	17.27
6.	Mr. Nilesh Jain (Whole Time Director)	29,48,893	4.7%	9.51
7.	Mr. Sandeep Kadam (Manager Accounts / CFO)	10,57,239	5.7%	3.41
8.	Ms. Rinku Kholakiya (Company Secretary) Appointed w.e.f. 9.2.2022)	77,509	-	0.25
9.	Ms. Khyati Danani (Company Secretary) (Resigned w.e.f. 13.1.2022)	13,31,847	1.6%	4.30

- ii. The median remuneration of the employees of the Company during the financial year was ₹3,10,058/-.
- iii. In the financial year, there was an increase of 10.7% in the median remuneration of employees.
- iv. There were 145 permanent employees on the rolls of Company as on 31st March, 2022.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 9.9% whereas the increase in the managerial remuneration for the same financial year was 5.8%.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Mumbai,
27th May, 2022

For and on behalf of the Board
R. K. P. Verma
Chairman

ANNEXURE 4

1. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy :

During the year under review all possible efforts were made to ensure optimum conservation of electricity and fuel at the manufacturing plant of the Company.

(ii) The steps taken by the Company for utilizing alternate sources of energy :

Presently none.

(iii) The capital investment on energy conservation equipments :

The Company has not spent any material capital investment on energy conservation equipments except some investment on energy conservation consumables.

2. TECHNOLOGY ABSORPTION

Research & Development

(A) Specific areas in which R&D work was carried out by the Company:

The Company has started R&D activities at its Ahmedabad manufacturing unit. The Company is currently in the process of developing ophthalmic range of formulations.

(B) Benefits derived as a result of the above R&D:

The benefits of R&D activities will come in future years.

(C) Future Plan of Action :

Development of more range of ophthalmic formulations initially for the domestic market.

(D) Expenditure incurred on R&D:

	2021-22 (₹ lacs)	2020-21 (₹ lacs)
a) Capital	-	-
b) Revenue	38.45	34.02
c) Total	38.45	34.02
d) R & D expenditure as a percentage of turnover	0.72%	0.75%

(E) Imported technology (imported during last 5 years):

The Company has not imported any technology during the last 5 years.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings - Nil.

Foreign Exchange Expenditure - ₹ 25.20_lacs (including ₹ 17.27 lacs being CIF value of capital goods import).

Mumbai,
27th May, 2022

For and on behalf of the Board
R. K. P. Verma
Chairman

FORM No. MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST 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,

Makers Laboratories Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Makers Laboratories Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities, 2021; (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 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period) and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (i) Other regulations of the Securities and Exchange Board of India as are applicable to the Company.
- (vi) Other laws applicable specifically to the Company namely:
- (1) Pharmacy Act, 1948,
 - (2) Drugs and Cosmetics Act, 1940,
 - (3) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954,
 - (4) Narcotic Drugs and Psychotropic Substances Act, 1985,
 - (5) Drug Pricing Control Order, 2013

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was 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.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

- The Board of Directors ('Board') of the Company have approved the Company's plan to raise further capital. Accordingly, the Board approved the issuance of equity shares of face value of ₹ 10/- each of the Company on rights basis to the eligible equity shareholders of the Company as on the record date, of an Issue size of about ₹ 14.75 crores (₹ Fourteen Crores Seventy Five Lacs only) ('Issue'). The proceeds of the Issue will be utilized primarily for upgrading/ capacity enhancement of the Company's old injectable manufacturing unit situated at Naroda, Ahmedabad.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: 27.05.2022

Jigyasa N. Ved
Partner
FCS No: 6488 CP No: 6018
UDIN: F006488D000406767
PR No.: 1129/2021

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,

The Members

Makers Laboratories Limited

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

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

For Parikh & Associates

Company Secretaries

Place: Mumbai

Date: 27.05.2022

Jigyasa N. Ved

Partner

FCS No: 6488 CP No: 6018

UDIN: F006488D000406767

PR No.: 1129/2021

INDEPENDENT AUDITORS' REPORT

To

**The Members of
Makers Laboratories Limited
Mumbai**

Report on the Audit of the Standalone Financial Statement

Opinion

We have audited the attached standalone financial statements of Makers Laboratories Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "standalone financial statements").

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters:

Sr No	Key Audit Matters (KAM's)	How the KAM's were addressed in our audit
1	Inventory Valuation Refer note 2(xi) of the Statement of Significant Accounting Policies. The Company manufactures and sells pharmaceutical products which carry shelf life. As a result, significant level of judgement is involved in estimating inventory valuation. Judgement is required to assess the appropriate net realisable value for short dated pharmaceutical products. Such judgements include management expectations for future sales and inventory liquidation plans.	Our procedures included, amongst others: <ul style="list-style-type: none"> • We attended stock counts to identify whether any inventory was obsolete, • We assessed the basis for the inventory valuation, the consistency in policy and the rationale in its application, • We tested the accuracy of the ageing of inventories based on system generated reports, • We tested the arithmetical accuracy of valuation files; and • We reviewed product-wise historical data relating to sales return etc. and also its impact on valuation.

Information Other than the Standalone financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Board's Report but does not include the Standalone financial statements and our Independent

Auditors' Report thereon. Our opinion on the Standalone financial statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Standalone financial statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls system with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls system with reference to standalone financial statements.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information

and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38 to the standalone financial statements,
- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,
- iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a. The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities (“intermediaries”) with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
 - c. Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.
- v. There are no events of dividend declared and paid by the Company during the year until the date of this report, hence compliance with provisions of section 123 of the Companies Act, 2013 is not required.

Mumbai,
Dated: May 27, 2022

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner
Membership No. 40441
UDIN: 22040441AJSHVC5637

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements' section of our report to the Members of Makers Laboratories Limited of even date)

To the best of our knowledge and information, audit procedures followed by us, according to the information provided to us by the Company and the examination of the books of account and records in the normal course of audit, we state that:

- (i) a. (A) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of right of use assets.
(B) The company has generally maintained proper records showing full particulars of intangible assets.
- b. Property, Plant and Equipment and Right of Use assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. Lease agreements for land properties, where the company is the lessee and the lease agreements are duly executed in favour of the company and on which building is constructed, we report that title in respect of self-constructed building is held in the Company's name.
- d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. On the basis of examination of records, we are of the opinion that the coverage and procedure of such verification is appropriate and that no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification. The discrepancies wherever noted have been properly dealt with in the books of account of the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs 5 crores in aggregate at any point of time during the year from banks or financial institutions on the basis of security of current assets and hence clause 3(ii)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (iii) (a) The Company during the year has granted unsecured loans, details of which are given hereunder.

Rs in lacs

Particulars	Guarantees	Security	Loans	Advances in the Nature of Loans
Aggregate amount granted / provided during the year	-	-	1.37	-
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	1.37	-
Balance outstanding as at balance sheet date in respect of such cases	-	-	1.11	-
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	1.11	-

- (b) The terms and conditions of the grant of loans are prima facie not prejudicial to the company's interest.-
- (c) In respect of loans, the schedule of repayment of principal and interest is stipulated. The repayments have generally been regular.
- (d) No amount is overdue for more than ninety days as at the balance sheet date.
- (e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The company has not given any loans, or made any investments, or given any guarantees and security to which section 185 or section 186 applies.
- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) The maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been so maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Act, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues to the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2022, for a period of more than six months from the date they became payable
- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except as given below:

Name of statute	Nature of dues	Amount (In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Order under section 143(3) r/w section 147	65.87	AY: 2011-12	CIT(Appeals)
Income Tax	Order under section 143(3) r/w section 147	11.45	AY: 2013-14	CIT(Appeals)
Income Tax	Order under section 143(3) r/w section 147	12.32	AY: 2014-15	CIT(Appeals)
Income Tax	Order under section 143(3) r/w section 147	22.18	AY: 2015-16	CIT(Appeals)

- (viii) There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution.
- (c) The Company has not availed of any new term loan during the year.
- (d) The Company has utilised short term borrowings amounting to Rs 640.00 lacs for long term purpose during the year. This borrowing was in the nature of bridge finance availed pending raising of long-term funds by way of a rights issue, which since has been raised, and short-term borrowings repaid.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any associates or joint ventures.
- (x) (a) The company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the year and hence clause 3(x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year under review.

- (xi) (a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (c) No whistle-blower complaints have been received during the year by the Company.
- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Companies (Auditors Report) Order 2020 are not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and the Board of Directors are concerned. The details of related party transactions have been disclosed in the Standalone financial statements as required by the applicable Accounting Standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.,
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) The company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (xvi) (a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the company.
- (b) There are two core investment companies within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) On an examination of the Statement of Profit and Loss account, the Company has not incurred cash losses during the financial year and the immediate previous financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause (3)(xviii) of The Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and representations and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) The company was not required to spend any amount towards Corporate Social Responsibility obligation and hence there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no ongoing projects in respect of CSR activities and therefore clause 3(xx)(b) of The Companies (Auditors Report) Order 2020 is not applicable to the Company.

Mumbai,
Dated: May 27, 2022

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner
Membership No. 40441
UDIN: 22040441AJSHVC5637

Annexure - B to the Independent Auditors' Report

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

Report on the Internal Financial Controls with reference to Standalone financial statements under Clause Section 143(3)(i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls system with reference to Standalone financial statements of Makers Laboratories Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the Financial Statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone financial statements 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 with reference to Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

Because of the inherent limitations of financial controls with reference to Standalone financial statements, including

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 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.

Mumbai,
Dated: May 27, 2022

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner
Membership No. 40441
UDIN: 22040441AJSHVC5637

(All Figures are Rupees in Lacs unless otherwise stated)

Standalone Balance Sheet as at March 31, 2022

Particulars	Note	As at Mar 31, 2022	As at Mar 31, 2021
ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipment	3	2,807.16	2,844.86
(b) Capital Work-in-Progress	3C	894.04	12.42
(c) Right Of Use Asset	3B	180.66	206.34
(d) Other Intangible Assets	3A	5.81	7.80
(e) Intangible Assets Under Development	3C	-	-
(f) Financial Assets			
(i) Investments	4	2,254.64	2,365.87
(ii) Loans	5	0.24	-
(iii) Others	6	69.74	62.31
(g) Other Non-current Assets	7	200.53	92.16
		6,412.82	5,591.76
(2) Current Assets			
(a) Inventories	8	1,218.96	1,088.73
(b) Financial Assets			
(i) Investments	4	-	-
(ii) Trade Receivables	9	535.45	718.74
(iii) Cash and Cash Equivalents	10	4.70	25.55
(iv) Bank Balances other than (iii) above	11	8.85	8.86
(v) Loans	5	0.87	0.02
(vi) Others	6	77.78	178.74
(c) Current Tax Assets (Net)		-	-
(d) Other Current Assets	7	288.71	299.19
		2,135.32	2,319.83
TOTAL ASSETS		8,548.14	7,911.59
EQUITY & LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	491.70	491.70
(b) Other Equity	13	4,538.32	4,470.40
Total Equity		5,030.02	4,962.10
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	268.68	552.84
(ii) Lease Liability	33	195.62	220.01
(iii) Other Financial Liabilities	15	-	-
(b) Provisions	16	20.04	21.96
(c) Deferred Tax Liabilities (Net)	17	63.18	47.73
(d) Other Non-current Liabilities	18	-	-
		547.52	842.54
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1,451.06	816.70
(ii) Lease Liability	33	24.39	9.04
(iii) Trade Payables	20		
- Due to Micro, Small and Medium Enterprises		91.44	105.25
- Due to Others		316.76	500.62
(iv) Other Financial Liabilities	15	595.42	479.61
(b) Other Current Liabilities	18	324.05	20.18
(c) Provisions	16	167.48	169.63
(d) Current Tax Liabilities (Net)		-	5.92
		2,970.60	2,106.95
TOTAL EQUITY AND LIABILITIES		8,548.14	7,911.59

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

As per our report of even date attached
For Natvarlal Vepari & Co.

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director & CEO

Nilesh Jain
(DIN 05263110)
Wholetime Director

Rinku Kholakiya
(ACS 63175)
Company Secretary

Sandeep Kadam
CFO

(All Figures are Rupees in Lacs unless otherwise stated)

Standalone Statement of Profit and Loss for the year ended March 31, 2022

Particulars	Note	2021-22	2020-21
I Revenue from Operations	21	5,240.93	4,441.14
II Other Income	22	84.81	41.40
III Total Income (I + II)		5,325.74	4,482.54
IV Expenses:			
Cost of Materials Consumed	23	722.40	621.98
Purchase of Stock in Trade	24	2,221.48	1,644.82
Changes in inventories of Finished goods, Work-in-Progress and Stock-in-Trade	25	(151.57)	(20.55)
Employee Benefit Expenses	26	819.02	763.02
Finance Cost	27	167.54	158.90
Depreciation and Amortisation	28	190.70	419.58
Other Expenses	29	1,324.85	1,102.20
Total Expenses (IV)		5,294.42	4,689.95
V Profit/ (Loss) Before exceptional items and Tax (III-IV)		31.32	(207.41)
VI Exceptional Items		-	
VII Profit/ (Loss) Before Tax (V+VI)		31.32	(207.41)
VIII Tax Expense			
1. Current Tax	30	-	-
2. Short / (Excess) Provision of earlier years	30	3.29	(16.70)
3. Deferred Tax Liability / (Asset) incl. MAT Credit	30	10.85	(29.05)
IX Profit/ (Loss) for the period (VII-VIII)		17.18	(161.66)
X Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
(a) Actuarial gain / (loss)		5.28	(5.10)
Tax Effect thereon	31	-	-
(b) Fair Value change through Other Comprehensive Income		56.63	720.80
Tax Effect thereon	31	(11.17)	(53.87)
Other Comprehensive Income for the year, net of tax		50.74	661.83
Total comprehensive Income for the year		67.92	500.17
XI Earnings per Equity Share :			
Par Value ₹ 10 each			
Basic (in ₹)	32	0.35	(3.29)
Diluted (in ₹)	32	0.35	(3.29)

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

**As per our report of even date attached
For Natvarlal Vepari & Co.**

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran

Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director & CEO

Nilesh Jain
(DIN 05263110)
Wholetime Director

Rinku Kholakiya
(ACS 63175)
Company Secretary

Sandeep Kadam
CFO

(All Figures are Rupees in Lacs unless otherwise stated)

Standalone Cash Flow Statement for the year ended March 31, 2022

	Mar'22	Mar' 21
A. Cash Flow from Operating Activities		
1) Net profit before taxation and extraordinary item	31.32	(207.41)
Adjustments for :		
Depreciation	190.70	419.58
(Profit)/ Loss on sale of Property, Plant & Equipment	5.44	(0.26)
Assets Scrap loss	16.14	-
Bad debts w/off	6.13	0.96
Sundry balances written back	-	(8.32)
Reversal of provision for Doubtful debts	-	(1.56)
(Profit)/Loss on Sale of Investment	-	(17.10)
Unwinding of Lease rent Income	(0.55)	(0.47)
Unwinding of Lease rent Expenses	0.16	0.15
Interest income	(3.67)	(4.64)
Dividend income	(52.54)	(0.04)
Interest expense	167.54	158.74
2) Operating profit before working capital changes	360.67	339.63
Decrease / (Increase) in Inventories	(130.23)	(20.19)
Decrease / (Increase) in Trade Receivables	177.15	45.51
Decrease / (Increase) in Other Financial Assets	93.11	(68.42)
Decrease / (Increase) in Other Assets	14.34	46.07
Increase / (Decrease) in Trade Payables	(197.67)	(108.88)
Increase / (Decrease) in Other Financial Liabilities	113.17	(17.82)
Increase / (Decrease) in Other Liabilities	303.87	(9.89)
Increase / (Decrease) in Provisions	1.21	(1.44)
3) Cash generated from operation	735.62	204.57
Income tax paid (net)	(55.21)	(138.01)
Net cash from operating activities	680.41	66.56
B. Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment including capital WIP & Intangibles	(1,108.48)	(144.33)
Proceeds from Sale of Plant, Property and Equipment	7.16	0.70
Investments in shares	-	(2,244.41)
Sale of shares	167.86	2,120.09
Movement in other bank balances	-	(0.68)
Interest received	2.83	3.91
Dividend received	52.54	0.04
Net cash from / (used in) investing activities	(878.09)	(264.68)
C. Cash Flow from Financing Activities		
Interest paid	(140.74)	(132.01)
Proceeds/ (Repayment) from short term borrowing (Net)	595.48	318.40
Repayment from Non-Current borrowing	(245.28)	200.00
Intercompany deposit received	-	(217.50)
Payment of Lease Liability		
- Interest	(23.59)	(24.40)
- Principal	(9.04)	(6.80)
Dividend & dividend tax paid	-	(0.68)
Net cash from / (used in) financing activities	176.83	137.01
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(20.85)	(61.11)
Cash and cash equivalents at beginning of year	25.55	86.66
Cash and cash equivalents at end of year	4.70	25.55
Components of Cash & Cash equivalents :		
Cash and cheques on hand	0.86	24.95
Balance with banks	3.84	0.60
	4.70	25.55

Refer note no. 14 (f) for reconciliation of liabilities from financing activities

As per our report of even date attached

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No. 106971W

N. Jayendran

Partner

M.No. 40441

Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh

(DIN 00400079)

Wholetime Director & CEO

Nilesh Jain

(DIN 05263110)

Wholetime Director

Rinku Kholakiya

(ACS 63175)

Company Secretary

Sandeep Kadam

CFO

(All Figures are Rupees in Lacs unless otherwise stated)

1. Standalone Statement of Changes in Equity for the year ended March 31, 2022

Equity Share Capital

	No. of shares	Amount
Equity share capital of face value (₹) 10.00 each		
Balance as at March 31, 2020	49,16,980	491.70
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	49,16,980	491.70
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	49,16,980	491.70

Other Equity Particulars

Particulars	Reserves and Surplus			Other Equity		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Not Reclassified to P&L Fair Value of Investment through OCI	
Balance as on April 1, 2020	302.76	108.64	1,200.00	1,192.19	1,166.64	3,970.23
Profit for the period	-	-	-	(161.66)	-	(161.66)
Gain/ (Loss) on Fair Value of Investment through OCI (Net of tax thereon)	-	-	-	-	666.93	666.93
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	(5.10)	-	(5.10)
Transfer to Retained Earning on Sale of Investment through OCI	-	-	-	1,840.74	(1,840.74)	-
Balance as on March 31, 2021	302.76	108.64	1,200.00	2,866.17	(7.17)	4,470.40
Profit for the period	-	-	-	17.18	-	17.18
Gain/ (Loss) on Fair Value of Investment through OCI (Net of tax thereon)	-	-	-	-	45.46	45.46
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	5.28	-	5.28
Transfer to Retained Earning on Sale of Investment through OCI	-	-	-	35.97	(35.97)	-
Balance as on March 31, 2022	302.76	108.64	1,200.00	2,924.60	2.32	4,538.32

Note:

- The Company has sold 1,01,000 equity shares of Ipca Laboratories Limited held as Investment at Fair Value through OCI during the ended March 31, 2021. The aggregate of sale consideration net of acquisition cost and tax thereon of ₹ 1,840.74 lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning through Statement of Changes in Equity.
- The Company has sold 11,990 equity shares of Mexin Medicaments Pvt Ltd held as Investment at Fair Value through OCI during the ended March 31, 2022. The aggregate of sale consideration net of acquisition cost and tax thereon of ₹ 35.97 lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning through Statement of Changes in Equity.
- Gain of ₹ 5.28 lacs and loss of ₹ 5.10 lacs on remeasurement of defined employee benefit plans (net of tax) is recognized as a part of retained earnings for the years ended March 31, 2022 and 2021, respectively.

As per our report of even date attached

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director & CEO

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(ACS 63175)
Company Secretary

Nilesh Jain
(DIN 05263110)
Wholetime Director

Sandeep Kadam
CFO

Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2022.

1. Corporate Information:

Incorporated in the year 1984, Makers Laboratories Limited is an integrated pharmaceutical company manufacturing and marketing around 200 formulations. The Company has one manufacturing units in India manufacturing formulations for the Indian market.

The financial statements of the company for the year ended March 31, 2022, were authorised for issue in accordance with the resolution passed at the meeting of the Board of Directors held on May 27, 2022.

2. Significant Accounting Policies:

i. Basis of Preparation

Statement of Compliance

The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- b. defined benefit plans - plan assets measured at fair value

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

The standalone financial statements are presented in INR and all values are rounded to the nearest lacs, except otherwise stated.

ii. Use of Judgments, Estimates and Assumption

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

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management

judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b. Defined benefit plans (Gratuity benefits)

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Useful lives of Property, Plant and Equipment

The company reviews the useful life of property, plant, and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d. Impairment of Property, Plant and Equipment

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e. Inventories

The Company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

f. Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

iii. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

• **Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered

Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

- **Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any material impact in its recognition of its property, plant and equipment in its financial statements.

- **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

- **Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

- **Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

iv. Current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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

An asset is current when:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle, or
- It is held primarily for the purpose of trading, or

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

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

v. Property, Plant and Equipment

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.
- b) Stores and spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, Plant and Equipment.
- c) Capital Work In Progress represents expenditure incurred on capital assets that are under construction or are pending capitalisation and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the Property, Plant and Equipment of the project proportionately on capitalisation.
- d) Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period up to the time the asset is ready for its intended use.
- e) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- f) The residual useful life of Property, Plant & Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates.
- g) Depreciation methods, estimated useful lives and residual value

Depreciation on all assets of the Company is charged on straight line method, over the useful life of assets mentioned in Schedule II to the Companies Act ,2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows:

Assets	Estimated useful life (Years)
Leasehold Land	Period of Lease
Plant & Equipment	5 to 20 Years
Eff. Treatment Plant	15 Years
Vehicle	10 Years
Building	28 to 58 Years
Furniture & Fixtures	10 Years

vi. Intangible assets

The Company has elected to fair value its intangible assets on transition date. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The management has estimated the economic useful life for the various intangible assets as follows:

Brands & Trademarks	4 Years
Software for internal use	4 Years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

vii. Revenue recognition

- a. The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns, product expiry claims and discounts.

Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

To recognize revenues, the Company applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Where Revenue is recognized over time, the amount of revenue is determined on the basis of contract costs incurred in relation to estimated contract expenses.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue in respect of transactions thru parties acting as agents is recognised only on completion of the performance obligation of the agent with corresponding accrual of agency commissions.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

- b. In case of export benefits which are in the nature of neutralisation of duties and taxes are grouped under material costs. All other export incentives are grouped under other operating revenue.
- c. Revenue in respect of insurance/other claims, commission, etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- d. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

viii. Borrowings

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

ix. Impairment of assets

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Venture and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

x. Leases

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset

shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term

xi. Inventories

Items of inventories are valued at lower of cost or estimated net realisable value as given below:

Raw Materials and Packing Materials	Lower of cost and net realisable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First In First Out basis.
Work-in-process and Finished Goods	At lower of cost (material cost net of refundable taxes, labour cost and all manufacturing overheads) and net realisable value.
Stores and Spares	Stores and spare parts are valued at lower of cost computed on First-in-First-out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of cost and net realisable value.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, estimated shelf life, price changes, introduction of competitive new products and such other related factors.

Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition.

xii. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities in the balance sheet.

xiii. Provisions, contingent liabilities and contingent assets

Provision

A Provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a

possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

xiv. Retirement and other employee benefits**Provident fund**

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

Gratuity

Gratuity, a post-employment defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absences

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

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia, bonus and performance incentive are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

xv. Foreign currencies**Transactions and balances:**

- i. The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.
- ii. Transactions denominated in foreign currency are recorded at the exchange rate on the date

of transaction where the settlement of such transactions are taking place at a later date. The exchange gain/loss on settlement / negotiation during the year is recognised in the statement of profit and loss. In case of advance payment for purchase of assets/ goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

- iii. Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the statement of profit and loss.
- iv. Non-monetary items that are measured at historical cost denominated in foreign currency are translated using exchange rate at the date of transaction.

xvi. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

xvii. Financial instruments

a. Financial assets & financial liabilities

Initial recognition and measurement

All financial assets and liabilities are recognised initially at fair value.

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is treated as cost of acquisition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is

subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 7 details how the entity determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial instruments

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability (or a part of a financial liability) is de-recognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

b. Derivative financial instruments and hedge accounting**Initial recognition and subsequent measurement**

The Company uses derivative financial instruments such as forward currency contracts, interest rate swaps to hedge its foreign currency risks, interest rate risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

xviii. Cash flow statement

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

xix. Goods and service tax input credit

Input tax credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

xx. Taxes**Tax expenses comprise Current Tax and Deferred Tax:****a. Current tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

b. Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

xxi. Earnings per share

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

(All Figures are Rupees in Lacs unless otherwise stated)

Notes to Standalone financial statements as at and for the year ended March 31, 2022

3. Property, Plant and Equipment

Particulars	Freehold Land	Building	Plant and Equipment	Office and Other Equipment	Effluent Treatment Plant	Furniture and Fixtures	Vehicles	R & D - Plant and Equipment	Total
Gross Block									
As on 01/04/2020	210.23	1,434.89	1,760.06	14.35	11.98	68.41	28.55	91.81	3,620.28
Additions	-	17.36	151.10	5.16	-	7.90	-	-	181.52
(Disposals) / Adjustments	-	-	(0.74)	-	-	-	-	-	(0.74)
As on 31/03/2021	210.23	1,452.25	1,910.42	19.51	11.98	76.31	28.55	91.81	3,801.06
Additions	-	22.65	127.15	3.65	-	-	-	-	153.45
(Disposals) / Adjustments	-	(20.55)	(32.19)	-	-	-	-	-	(52.74)
As on 31/03/2022	210.23	1,454.35	2,005.38	23.16	11.98	76.31	28.55	91.81	3,901.77
Accumulated Depreciation									
As on 01/04/2020	-	145.25	332.35	5.32	1.62	29.14	13.66	37.09	564.43
For the year 2020-21	-	75.77	281.53	5.39	1.87	10.22	3.12	14.17	392.07
(Disposals) / Adjustments	-	-	(0.30)	-	-	-	-	-	(0.30)
As on 31/03/2021	-	221.02	613.58	10.71	3.49	39.36	16.78	51.26	956.20
For the year 2021-22	-	42.17	106.20	2.38	0.59	3.86	2.30	4.91	162.41
(Disposals) / Adjustments	-	(7.72)	(16.28)	-	-	-	-	-	(24.00)
As on 31/03/2022	-	255.47	703.50	13.09	4.08	43.22	19.08	56.17	1,094.61
Net Block as on 31/03/2021	210.23	1,231.23	1,296.84	8.80	8.49	36.95	11.77	40.55	2,844.86
Net Block as on 31/03/2022	210.23	1,198.88	1,301.88	10.07	7.90	33.09	9.47	35.64	2,807.16

(All Figures are Rupees in Lacs unless otherwise stated)

3A. Other Intangible Assets

Particulars	Computer Software	Brand / Trade Mark	Total
Gross Block			
As on 01/04/2020	12.02	0.13	12.15
Additions	2.71	-	2.71
(Disposals) / Adjustments	-	-	-
As on 31/03/2021	14.73	0.13	14.86
Additions	0.61	-	0.61
(Disposals) / Adjustments	-	-	-
As on 31/03/2022	15.34	0.13	15.47
Accumulated Amortisation			
As on 01/04/2020	5.10	0.13	5.23
For the year 2020-21	1.83	-	1.83
(Disposals) / Adjustments	-	-	-
As on 31/03/2021	6.93	0.13	7.06
For the year 2021-22	2.60	-	2.60
(Disposals) / Adjustments	-	-	-
As on 31/03/2022	9.53	0.13	9.66
Net Block as on 31/03/2021	7.80	-	7.80
Net Block as on 31/03/2022	5.81	-	5.81

3B. Right to Use Asset

Particulars	Land
Gross Block	
As on 01/04/2020	250.90
Additions	-
(Disposals) / Adjustments	6.13
As on 31/03/2021	257.03
Additions	-
(Disposals) / Adjustments	-
As on 31/03/2022	257.03
Accumulated Amortisation	
As on 01/04/2020	25.01
For the year 2020-21	25.68
(Disposals) / Adjustments	-
As on 31/03/2021	50.69
For the year 2021-22	25.68
(Disposals) / Adjustments	-
As on 31/03/2022	76.37
Net Block as on 31/03/2021	206.34
Net Block as on 31/03/2022	180.66

3C. Capital Work In Progress/ Intangible Assets Under Development

Particulars	Capital Work In Progress			Intangible Assets Under Development	
	Building	Proj Exp Pending Allocation	Plant and Equipment	Total	Software
As at 1st April 2020	2.79	-	63.81	66.60	2.07
Additions	14.27	-	93.15	107.42	-
Capitalization	14.60	-	147.00	161.60	2.07
As at 31st March 2021	2.46	-	9.96	12.42	-
Additions	127.40	6.54	759.47	893.40	-
Capitalization	1.82	-	9.96	11.78	-
As at 31st March 2022	128.04	6.54	759.47	894.04	-

(All Figures are Rupees in Lacs unless otherwise stated)

**CWIP Ageing Schedule
As at March 31, 2022**

CWIP for a period of	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	893.41	-	893.41
1-2 years	0.64	-	0.64
2-3 years	-	-	-
More than 3 years	-	-	-
Total	894.04	-	894.04

As at March 31, 2021

CWIP for a period of	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	12.42	-	12.42
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	12.42	-	12.42

Note : There are no cost or time overruns of CWIP and hence no disclosure for the same is made

4 Financial Assets - Investments

A Summary of Non Current Investments

	As at 31/03/2022	As at 31/03/2021
Investment in Equity Instruments measured at Amortised Cost	2,244.41	2,244.41
Investment in Equity Instruments measured at Fair value through OCI	10.23	121.46
Investment in Equity Instruments measured at Fair value through PL	-	-
Total	2,254.64	2,365.87

B Details of Non-current Investments

	Face Value per Equity Instrument (₹)	Number Of Equity Instruments		Amount		
		31/03/2022	31/03/2021	31/03/2022	31/03/2021	
Investments measured at Cost fully paid - in Subsidiary						
Quoted equity shares						
1	Resonance Specialties Ltd	10	52,50,000	52,50,000	2,244.41	2,244.41
Investments measured at fair value through OCI (fully paid)						
Unquoted equity shares						
1	Mexin Medicaments. Pvt Ltd #	100	-	11,990	-	112.32
Quoted equity shares						
1	Ipca Laboratories Ltd *	1	960	480	10.23	9.14
Total					2,254.64	2,365.87

C Aggregate value of investments

Particulars	31/03/2022	31/03/2021
Aggregate amount of quoted investments	2,254.64	2,253.54
Aggregate market value of quoted investments	9,268.61	6,592.64
Aggregate amount of unquoted investments	-	112.32

(All Figures are Rupees in Lacs unless otherwise stated)

D Disclosure Under Section 186(4) of the Companies Act 2013

Name of the Investee Company	Purpose	31/03/2022	31/03/2021
Resonance Specialties Ltd	Business Acquisition	-	2,244.41

- i Previous year the Company has acquired controlling stake in Resonance Specialties Limited along with persons acting in concert. The Investments are carried at cost in the standalone financial statements
- ii The Company has sold 1,01,000 equity shares of Ipca Laboratories Limited held as Investment at Fair Value through OCI during the year ended March 31, 2021. The aggregate of sale consideration net of acquisition cost and tax thereon of ₹ 1,840.74 lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning through Statement of Changes in Equity.
- iii * During the Year, IPCA Laboratories Limited has sub-divided fully paid-up equity shares of ₹ 2 each into two fully paid equity shares of ₹ 1 each on 11th January, 2022. Accordingly, 480 fully paid-up equity shares of IPCA Laboratories Limited of ₹ 2 each held by the Company have been subdivided into 960 fully paid-up equity shares of ₹ 1 each.
- iv # The Company has sold 11,990 equity shares of Mexin Medicaments Pvt. Ltd. held as Investment at Fair Value through OCI during the year ended March 31, 2022. The aggregate of sale consideration net of acquisition cost and tax thereon of ₹ 55.54 lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning through Statement of Changes in Equity.

5 Financial Assets - Loans

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
(Unsecured, considered good)				
Loans given to Employees	0.24	0.87	-	0.02
Total	0.24	0.87	-	0.02

6 Financial Assets - Others

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
(Unsecured, considered good)				
Gratuity reimbursements and other claims receivable	-	4.99	-	3.32
Interest Receivable	-	0.68	-	0.65
Term Deposits with banks kept as margin money	-	1.27	1.20	-
Unbilled Revenue - Related Party *	-	-	-	104.17
Other Receivable				
-Related Parties #	-	5.10	-	0.28
-Others	-	65.74	-	70.32
Deposits	69.74	-	61.11	-
Total	69.74	77.78	62.31	178.74

Unbilled Revenue				
* Ipca Laboratories Ltd		-		104.17
Other Receivable Related Parties				
# Resonance Specialties Ltd		-		0.28
# Ipca Laboratories Ltd		5.10		-

(All Figures are Rupees in Lacs unless otherwise stated)

7 Other Non-Financial Assets

<u>Particulars</u>	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>	<u>Current</u>
(Unsecured, considered good)				
Capital Advances	72.80	-	0.81	-
Prepaid Expenses (Refer note below)	0.89	20.14	1.38	10.29
Balance with Tax Authorities	0.44	245.72	1.60	265.27
Advance to suppliers	-	13.77	-	13.12
Advances to Employees	-	7.42	-	5.95
Advances to Others	-	0.49	1.40	0.45
Prepaid Taxes (Net of provisions)	126.40	-	86.97	-
Other Receivables		1.18		4.11
Total	200.53	288.71	92.16	299.19

Note : Prepaid expenses (Current) includes ₹ 11.45 Lacs towards Rights Issue Preparatory Work which has since been closed and the amount will be adjusted against the share premium.

8 Inventories (Valued at Lower of Cost and Net Realisable Value)

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Raw Materials and components	100.25	140.55
Packing Materials and components	63.06	39.38
Work-in-progress	31.72	17.97
Finished goods:		
Manufactured	207.10	161.08
Traded	780.79	688.42
In transit	-	0.57
Consumable Stores and Spares	36.04	40.76
Total	1,218.96	1,088.73

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Amount of inventories recognised as an expense	2,860.72	2,307.75
Amount of write - down of inventories recognised as an expense	-	-
Total	2,860.72	2,307.75

9 Financial Assets - Trade Receivables (Unsecured, at amortised cost)

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Considered good	537.76	718.96
Which have significant increase in credit risk	-	-
Credit impaired	-	-
	537.76	718.96
Less: Expected credit loss allowance	(2.31)	(0.22)
Total	535.45	718.74

Since the Company calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivables are not disclosed.

(All Figures are Rupees in Lacs unless otherwise stated)

As at March 31, 2022

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	489.38	-	-	489.38
less than 6 months	48.38	-	-	48.38
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	-	-
Total	537.76	-	-	537.76

As at March 31, 2021

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	684.30	-	-	684.30
less than 6 months	34.00	-	-	34.00
6 months - 1 year	-	-	-	-
1-2 year	0.66	-	-	0.66
2-3 year	-	-	-	-
> 3 years	-	-	-	-
Total	718.96	-	-	718.96

10 Financial Assets - Cash & Cash Equivalents

Particulars

	As at March 31, 2022	As at March 31, 2021
Balances with banks	3.84	24.95
Cash on hand	0.86	0.60
Total	4.70	25.55

11 Financial Assets - Bank Balances other than (10) above

Particulars

	As at March 31, 2022	As at March 31, 2021
Unpaid dividend accounts	8.85	8.86
Total	8.85	8.86

Note: There are no amounts to be transferred to Investor Education and Protection Fund as on date

(All Figures are Rupees in Lacs unless otherwise stated)

12 Equity Share Capital Particulars

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Face Value per share (₹)		10		10
Authorised Capital	75,00,000	750.00	75,00,000	750.00
Issued, Subscribed and Paid up Capital				
Issued & Subscribed	49,16,980	491.70	49,16,980	491.70
Paid up	49,16,980	491.70	49,16,980	491.70
Total		491.70		491.70

Disclosures:

i) Reconciliation of Shares Particulars

	As at March 31, 2022		As at March 31, 2021	
	Numbers	Amount	Numbers	Amount
Shares outstanding at the beginning of the year	49,16,980	491.70	49,16,980	491.70
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	49,16,980	491.70	49,16,980	491.70

ii) Details of Shareholding in excess of 5% Name of Shareholder

	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	%	Number of shares held	%
Kaygee Laboratories Private Limited	6,50,000	13.22%	6,50,000	13.22%
Kaygee Investments Private Limited	8,54,400	17.38%	8,54,400	17.38%
Paschim Chemicals Private Limited	7,66,672	15.59%	7,66,672	15.59%

iii) Rights and obligations of shareholders

The Company has only one class of share referred as Equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend is recommended by management which is subject to shareholder's approval at the General Meeting.

iv) Shareholding of Promoters

Shares held by promoters as at March 31, 2022

Sr no	Promoter name	Shares held by promoters at the end of the year 31.03.2022		Shares held by promoters at the end of the year 31.03.2021		% of change during the year
		No of shares	% of total shares	No of shares	% of total shares	
1	Kaygee Investments Pvt Ltd	8,54,400	17.38	8,54,400	17.38	-
2	Paschim Chemicals Pvt Ltd	7,66,672	15.59	7,66,672	15.59	-
3	Kaygee Laboratories Pvt Ltd	6,50,000	13.22	6,50,000	13.22	-
4	Mexin Medicaments Pvt Ltd	1,41,180	2.87	1,41,180	2.87	-
5	Chandurkar investments Pvt Ltd	64,800	1.32	64,800	1.32	-
6	Premchand Godha	97,520	1.98	97,520	1.98	-
7	Prashant Godha	94,375	1.92	94,375	1.92	-
8	Nirmal Jain	73,600	1.50	73,600	1.50	-
9	Usha Godha	44,000	0.89	44,000	0.89	-
10	Usha Chandurkar	33,000	0.67	33,000	0.67	-
11	Bhawna Godha	32,400	0.66	32,400	0.66	-
12	Sameer Chandurkar	18,000	0.37	18,000	0.37	-
	Total	28,69,947	58.37	28,69,947	58.37	
		49,16,980	100.00	49,16,980	100.00	

Note: The percentage shareholding above has been computed considering outstanding number of shares as at year end

(All Figures are Rupees in Lacs unless otherwise stated)

13 Other Equity

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Capital Reserve		302.76		302.76
Securities Premium		108.64		108.64
General Reserve		1,200.00		1,200.00
Retained Earnings		2,924.60		2,866.17
Other Comprehensive Reserve				
- Remeasurement of Investment through FVOCI		2.32		(7.17)
Total		4,538.32		4,470.40

a) Security Premium Reserve:

Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

b) General Reserve :

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

14 Financial Liabilities - Borrowings

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Term Loan - Yes bank	268.68	284.16	552.84	245.28
Less : Reclassified to Current Maturities	-	(284.16)	-	(245.28)
Total	268.68	-	552.84	-
Secured Borrowing	268.68	284.16	552.84	245.28
Unsecured Borrowing	-	-	-	-

a) Details of Term Loan

Name of the Instruments/ Institutions	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Term Loan From Yes Bank	268.68	284.16	552.84	245.28
	268.68	284.16	552.84	245.28

i) The term loan is for a period of 60 months. The term loans is repayable in 16 quarterly instalments beginning from February 29, 2020.

ii) The new term loan taken during the previous year is for a period of 48 months. The term loan is repayable in 36 monthly instalments beginning from November 10, 2021

b) Details of securities and repayment terms of secured loans stated above

i) Secured by way of exclusive charge on plant and machinery located at new ophthalmic products manufacturing facility at Naroda, Ahmedabad. Equitable mortgage on the plot no. 30/4, Phase III GIDC, Naroda, Ahmedabad.

ii) The new term loan - Secured by way of 100% Credit Guarantee by National Credit Guarantee Trust Companies Limited (NCGTC) and Extension of Charge on present & Current Assets of the Company and Fixed assets charged for YBL Term Loan taken earlier.

(All Figures are Rupees in Lacs unless otherwise stated)

c) Maturity Profile of Borrowings is as per the original sanction terms.

<u>Particulars</u>	<u>31/03/2022</u>	<u>31/03/2021</u>
Instalment payable between 0 to 1 years	284.16	245.28
Instalment payable between 1 to 2 years	268.68	513.95
Instalment payable between 2 to 5 years	-	38.89
Instalment payable beyond 5 years	-	-
Total	552.84	798.12

d) Utilisation of borrowings taken from banks

The Company had during the previous year utilised the borrowing taken from bank for the specific purpose for which it was taken.

e) Satisfaction of charges with Registrar of Companies

There are charges disclosed as outstanding of ₹ 1134.00 Lacs as at March 31, 2022 in respect of borrowings which have been repaid long back. The Company is unable to close the satisfaction for lack of requisite documentation. The matter is being followed up by the Company.

The Company has registered all charges on existing borrowings.

f) Changes in liabilities arising out of Financing Activities as per IndAS 7

<u>Particulars</u>	<u>As at March 31, 2022</u>		
	<u>Non-Current Borrowings</u>	<u>Current Maturities</u>	<u>Current Borrowings</u>
Opening Balances	552.84	245.28	571.42
Changes from Financing Cash Flows	-	(245.28)	595.48
Effect of changes in foreign currency	-	-	-
Transfer to Current Maturities	(284.16)	284.16	-
Closing Balances	268.68	284.16	1,166.90

Particulars

	<u>As at March 31, 2021</u>		
	<u>Non-Current Borrowings</u>	<u>Current Maturities</u>	<u>Current Borrowings</u>
Opening Balance	598.12	217.50	253.02
Changes from Financing Cash Flows	200.00	(217.50)	318.40
Effect of changes in foreign currency	-	-	-
Transfer to Current Maturities	(245.28)	245.28	-
Closing Balances	552.84	245.28	571.42

15 Other Financial Liabilities

<u>Particulars</u>	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>
<u>Security Deposits from</u>				
Dealers	-	354.24	-	385.60
Others	-	5.95	-	5.98
Related Party*	-	1.55	-	1.56
Unpaid dividends	-	8.85	-	8.86
Payable for Capital Goods	-	146.90	-	4.69
Interest accrued				
-Related Party #	-	5.51	-	-
-Others	-	8.81	-	11.64
Payable to Employees	-	63.61	-	61.28
Total	-	595.42	-	479.61

* Resonance Specialties Ltd

Ipca Laboratories Ltd

(All Figures are Rupees in Lacs unless otherwise stated)

16 Provisions
Particulars

	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Provision for breakage/damage	-	0.02	-	0.02
Provision for product expiry	-	30.40	-	19.77
Provision for sales return	-	85.90	-	73.02
Provision for Gratuity	-	10.53	-	38.51
Provision for leave encashment	20.04	7.16	21.96	8.27
Provision for leave travel assistance (LTA)	-	10.39	-	6.96
Provision for Tax (Net of prepaid)	-	23.08	-	23.08
Total	20.04	167.48	21.96	169.63

The disclosure of provisions movement as required by Ind AS 37 is as follows:-

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Provision for breakage/damage		
Balance at the beginning of the period	0.02	0.01
Provisions/ Reversal during the year.	-	0.01
Utilisations during the period	-	-
Provision at the end of the period	0.02	0.02
(ii) Provision for product expiry		
Balance at the beginning of the period	19.77	0.01
Provisions/ Reversal during the year.	10.63	19.76
Utilisations during the period	-	-
Provision at the end of the period	30.40	19.77
(iii) Provision for sales return		
Balance at the beginning of the period	73.02	91.39
Provisions/ Reversal during the year.	12.88	(18.37)
Utilisations during the period	-	-
Provision at the end of the period	85.90	73.02

(iv) Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules,2015.

Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

(All Figures are Rupees in Lacs unless otherwise stated)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Expense recognised in Statement of Profit & Loss		
Current Service cost	7.33	6.40
Interest expense	4.60	4.45
Expected Return on Plan Assets	(3.32)	(3.20)
Benefit paid but pending claim	-	-
Past Service cost	-	-
Total	8.61	7.65
Expense recognised in Other Comprehensive Income		
Return on plan assets (Greater)/Less than Discount Rate	3.53	1.57
Actuarial (Gain)/Loss due to Experience on DBO	1.75	(6.67)
Total	5.28	(5.10)
Present value of funded defined benefit obligation		
Fair value of Plan assets	(88.63)	(60.09)
Funded Status	10.53	38.51
Net defined benefit (Asset) / Liability	10.53	38.51
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	98.60	87.12
Current Service Cost	7.33	6.40
Interest Cost	4.60	4.45
Actuarial (Gain)/Loss	(1.75)	6.67
Benefits paid	(9.62)	(6.05)
Past Service Cost	-	-
Present value of defined benefit obligation at the end of the year	99.16	98.60
Movements in fair value of the plan assets are as follows		
Opening fair value of plan assets	60.10	54.27
Adjustment to opening fair value	-	-
Expected returns on Plan Assets	3.32	3.20
Remeasurement (Gains)/Losses:	-	-
Actuarial (Gain)/Loss on Plan assets	3.53	1.57
Contribution from Employer	31.31	7.11
Benefits paid	-	-
Fund Charges	-	-
Benefit paid but pending claim	(9.62)	(6.05)
Closing fair value of the plan asset	88.64	60.10
Remeasurement effect recognised on Other Comprehensive Income		
Actuarial (Gain)/Loss arising from experience adjustments	(1.75)	6.67
Actuarial (Gain)/Loss on Plan assets	(3.53)	(1.57)
Total Actuarial (Gain)/Loss included in OCI	(5.28)	5.10

(All Figures are Rupees in Lacs unless otherwise stated)

The principal assumptions used as at the balance sheet date are used for purpose of actuarial valuations were as follow:

(v) Financial Assumptions

Discount Rate	5.99%	5.52%
Salary Increase Rate	6.00%	6.00%

(vi) Demographic Assumptions

Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	25%	25%
Retirement age	58 Years	58 Years

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

(vii) Defined Benefit Obligation

Discount rate

a. Discount rate - 50 basis points	100.54	100.04
b. Discount rate + 50 basis points	97.83	97.32

Salary increase rate

a. Rate - 50 basis points	97.83	97.32
b. Rate + 50 basis points	100.53	100.04

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would clear in isolation of one another as some of the assumptions may be correlated.

Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(viii) Risk Characteristics of the Defined Benefit Plan

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow

- (i) Investment Risk :** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
- (ii) Market Risk (Discount Rate) :** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(All Figures are Rupees in Lacs unless otherwise stated)

(iii) **Longevity Risk** : The impact of longevity risk will depend on whether the benefits are paid before retirement age or after . Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.

(iv) **Actuarial Risk**

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation , will result in increase to the Obligation at a rate that is higher than expected

Attrition / Withdrawal Assumption: If actual withdrawal rates are higher than assumed withdrawal rate assumption ,than the benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

17 Deferred Tax Liabilities (Net)

<u>Particulars</u>	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
(a) Deferred tax liabilities on account of				
PPE including ROU Assets and R & D Assets	82.18		59.59	
Fair Value Change of Investment through OCI	0.85	83.03	-	59.59
(b) Deferred tax asset on account of				
Fair Value Change of Investment through OCI	-		(3.75)	
Compensated Advances	(6.85)		(7.61)	
Carried forward losses	(11.41)		-	
Other tax disallowance	(1.59)	(19.85)	(0.50)	(11.86)
Net deferred tax liability		63.18		47.73

18 Other Non-financial Liabilities

<u>Particulars</u>	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>	<u>Current</u>
Advance from Customers				
-Related Party *	-	300.00	-	-
-Others	-	0.75	-	1.09
Duties & Taxes Payable	-	17.29	-	13.04
Other Payables	-	6.01	-	6.05
Total	-	324.05	-	20.18
* Ipca Laboratories Ltd				

19 Short Term Borrowings

<u>Particulars</u>	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>	<u>Current</u>
Current Maturities of long term loans	-	284.16	-	245.28
Working Capital Loan from Yes bank	-	276.90	-	321.42
Intercompany Deposit				
-Related Party *	-	640.00	-	-
-Others	-	250.00	-	250.00
Total	-	1,451.06	-	816.70
* Ipca Laboratories Ltd				
Secured Borrowing	-	561.06	-	566.70
Unsecured Borrowing	-	890.00	-	250.00

(All Figures are Rupees in Lacs unless otherwise stated)

- (a) Secured Borrowing - Exclusive charge on present and future current asset of the Company and Negative Lien on immovable property, plant and equipment of the company for there registered office located at 54-D, Kandivali Industrial Estate, Charkop, Kandivali (W), Mumbai, Maharashtra.
- (b) Unsecured Borrowing - Intercorporate deposit is for short term, as a bridge loan pending receipt of right issue proceeds repayable before March 31, 2023.
- (c) The rate of interest on short term borrowings ranges between 8% and 9%.
- (d) Disclosure for borrowings from banks or finanacial institutions on the basis of security of current assets - Refer Statement 3

The Company has a sanctioned working capital facilities from bank for ₹ 500.00 Lacs. The details of statement filed is given in Statement 3. The Company has been advised by its bankers to exclude stocks maintained with the Consignee Sales Distributors (CSDs). These stocks form part of the Company's inventory as per books. It is for this reason that there is a difference in the Company's inventory as per its books and the stock statemnts submitted to its bank. The company is also not availing any drawing power against these stocks.

20 Financial Liabilities - Trade Payables

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Trade Payables for goods and services:		
- Total outstanding dues of Micro and small enterprise	91.44	105.25
- Others	316.76	500.62
Total	<u>408.20</u>	<u>605.87</u>

Trade payables and acceptances are non-interest bearing and are normally settled between 0-120 days.

Details of dues to micro and small enterprises as defined under MSME Act, 2006

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Principal amount due	91.44	105.25
Interest due on above	-	0.02
Amount paid in terms of Sec 16 of the Micro, Small and Medium Enterprise Development Act, 2006	-	
- Principal amount paid beyond appointed day	659.21	361.04
- Interest paid thereon		
Amount of interest due and payable for the period of delay	4.26	2.77
Amount of interest accrued and remaining unpaid as at year end	8.88	4.62
Amount of further interest remaining due and payable in the succeeding year	-	-

The company has compiled the above information based on written confirmations from suppliers and have been determined to the extent such parties have been identified on the basis of the information available with the company. This has been relied upon by the auditors.

(All Figures are Rupees in Lacs unless otherwise stated)

(a) As at March 31, 2022

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	90.08	-
Not Due	91.44	-	179.84	-
Less than 1 year	-	-	46.84	-
1-2 years	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	-	-
Total	91.44	-	316.76	-

(b) As at March 31, 2021

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	94.68	-
Not Due	95.44	-	279.99	-
Less than 1 year	9.81	-	125.76	-
1-2 years	-	-	0.19	-
2-3 year	-	-	-	-
> 3 years	-	-	-	-
Total	105.25	-	500.62	-

21 Revenue from Operations

Particulars	2021-22	2020-21
Sale of Products	4,291.80	3,537.17
Sale of services	942.59	893.84
Other operating revenues		
Sundry Creditors Balances written back	4.46	8.32
Miscellaneous income	2.08	1.81
Total	5,240.93	4,441.14

A Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

(a) Disclosure relating to disaggregation of revenue in terms of Ind AS 115	2021-22	2020-21
Sale of Generic formulations	4,291.80	3,537.17
Sale of Services	942.59	893.84

(b) There are two parties (PY two parties) which each individually account for more that 10% of sales of the company. Aggregate revenue from these two parties is ₹ 1956.14 Lacs (PY ₹ 1,608.72 lacs)

ii) Movement of Contract Balances

a) Contractual Liabilities	2021-22	2020-21
Opening Balance	1.09	5.94
Addition during the year	-	1.09
Billed/Received during the Year	(1.09)	(5.94)
Closing Balance	-	1.09

b) Unbilled Revenue	2021-22	2020-21
Opening Balance	104.17	43.24
Addition during the year	-	104.17
Billed/Received during the Year	(104.17)	(43.24)
Closing Balance	-	104.17

(All Figures are Rupees in Lacs unless otherwise stated)

22 Other Income			
Particulars	2021-22	2020-21	
Interest income	3.08	4.64	
Interest income on financial asset on EIR basis	0.60	0.54	
Dividend income - from investments	52.54	0.04	
Profit on sale of property, plant & equipment	-	0.26	
Rent Income	17.80	17.19	
Profit on Sale of Investment	-	17.10	
Reversal of provision for Expected Credit Loss	-	1.56	
Miscellaneous Income	10.79	0.07	
Total	<u>84.81</u>	<u>41.40</u>	
23 Cost of Materials Consumed			
Particulars	2021-22	2020-21	
Raw Materials Consumed			
Opening stock	140.55	150.03	
Add : Purchases (Net of discount)	489.79	474.19	
	630.34	624.22	
Less : Closing stock	100.25	530.09	140.55
			483.67
Packing Materials Consumed			
Opening stock	39.38	59.63	
Add : Purchases (Net of discount)	216.00	118.06	
	255.38	177.69	
Less : Closing stock	63.06	192.32	39.38
			138.31
Total	<u>722.41</u>	<u>621.98</u>	
24 Purchases of Traded Goods			
Particulars	2021-22	2020-21	
Formulations	2,185.39	1,584.75	
Others	36.09	60.07	
Total	<u>2,221.48</u>	<u>1,644.82</u>	
25 Changes in inventories of Finished Goods(FG), Work-in-progress(WIP) and Traded Goods			
Particulars	2021-22	2020-21	
Inventory Adjustments - WIP			
Stock at commencement	17.97	42.51	
Less: - Stock at closing	31.72	(13.75)	17.97
			24.54
Inventory Adjustments - FG			
Stock at commencement	161.08	149.05	
Less : Stock at closing	207.10	(46.02)	161.08
			(12.03)
Inventory Adjustments - FG In transit			
Stock at commencement	0.57	-	
Less : Stock at closing	-	0.57	0.57
			(0.57)
Inventory Adjustments - Traded Goods			
Stock at commencement	688.42	655.93	
Less : Stock at closing	780.79	(92.37)	688.42
			(32.49)
Total	<u>(151.57)</u>	<u>(20.55)</u>	

(All Figures are Rupees in Lacs unless otherwise stated)

26 Employee Benefits Expenses

Particulars	2021-22	2020-21
Salaries , bonus , perquisites , etc.	742.49	684.59
Contribution to provident and other funds	38.80	39.28
Leave encashment	9.09	13.59
Leave travel assistance	6.82	6.16
Gratuity fund contributions	8.61	7.66
Staff welfare expenses	12.86	11.58
Recruitment & training	0.35	0.16
Total	819.02	763.02

27 Finance Cost

Particulars	2021-22	2020-21
Interest on loan	118.06	108.96
Unwinding of Financial Liabilities	24.11	24.85
Interest on Dealer's Deposit	21.11	22.16
Interest in MSME Creditors	4.26	2.77
Interest Others	-	-
Interest on Income Tax	-	0.16
Total	167.54	158.90

28 Depreciation & Amortisation

Particulars	2021-22	2020-21
Depreciation on tangible assets	162.42	392.07
Amortisation on intangible assets	2.60	1.83
Depreciation on Right of Use Assets	25.68	25.68
Total	190.70	419.58

In order to align the depreciation of the entire group to straight line method (SLM), the company has changed the method of depreciation of assets which were hitherto depreciated on written down value method to SLM. On account of this change, being in the nature of estimates , the depreciation for the year is lower by ₹ 188.87 lacs and the profit for the year is higher by ₹ 188.87 Lacs

29 Other Expenses

Particulars	2021-22	2020-21
Commission & Distribution Charges	252.04	187.48
Outside manufacturing charges	65.19	76.05
Power and fuel	341.47	296.76
Consumption of stores and spares	68.41	61.51
Freight, forwarding and transportation	79.10	62.57
Field staff expenses	67.68	57.11
Repairs and maintenance - Refer note 1 below	73.85	51.90
Water charges	4.86	3.28
Loss on sale of property, plant & equipment	5.44	-
Assets scrapped	16.14	-
Sales and marketing expenses	65.47	31.73
Brand Recall Expenses - Domestic Marketing	5.21	4.58
Product information catalogue	0.07	0.81
Laboratory expenses and analytical Charges	67.91	55.39
Expenditure on research & development	32.38	17.00
Rent	27.43	25.41

(All Figures are Rupees in Lacs unless otherwise stated)

Rates and taxes	24.05	32.56
Travelling expenses	13.48	6.75
Professional charges	15.23	32.33
Printing and stationery	11.17	12.11
Books, subscription and software	1.38	1.52
GST expenses	4.17	6.70
Communication expenses	4.81	11.94
Insurance	14.39	13.93
Intellectual property right expenses	6.99	3.52
Remuneration to auditors - Refer note 2 below	9.95	8.50
Bank charges	0.46	1.13
Loss on financial assets measured at FVTPL	-	-
Bad debts and other balance w/off	6.13	0.96
Security Charges	27.12	24.73
Foreign Exchange Loss	-	0.65
Donation	1.05	2.66
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	11.82	10.63
Total	<u>1,324.85</u>	<u>1,102.20</u>

Details of:

1 Repairs and Maintenance:

- Building	18.36	6.16
- Machinery	53.70	44.86
- Others	1.79	0.88
	<u>73.85</u>	<u>51.90</u>

2 Remuneration To Auditors:

- Audit fees including Limited Review and Tax Audit	8.35	7.90
- Tax matters	1.60	0.50
- Other services and Out of pocket expenses	-	0.10
	<u>9.95</u>	<u>8.50</u>

i) Total expenditure on R & D is included in respective heads of accounts as under:

Particulars	<u>2021-22</u>	<u>2020-21</u>
Employee benefits expenses	1.16	2.85
Laboratory Expenses	32.38	17.00
Depreciation	4.91	14.17
Total	<u>38.45</u>	<u>34.02</u>

30 Tax Expense- Profit and Loss Account

Particulars	<u>2021-22</u>	<u>2020-21</u>
Current Tax	-	-
Short / Excess Provision of earlier years	3.29	(16.70)
Deferred Tax	10.85	(29.05)
Total	<u>14.14</u>	<u>(45.75)</u>

(All Figures are Rupees in Lacs unless otherwise stated)

31 Tax Expense- Other Comprehensive Income

Particulars	2021-22	2020-21
Current Tax	-	144.84
Short / Excess Provision of earlier years	6.57	
Deferred Tax	4.60	(90.97)
Total	11.17	53.87

(i) Reconciliation of current rate of tax and effective rate of tax:

Particulars	2021-22	2020-21
Profit/ (Loss) before Income taxes	31.32	(207.41)
Enacted tax rates in India (%)	25.17%	25.17%
Computed expected tax expenses	7.88	(52.20)
Effect of deductible expenses	(81.00)	(111.49)
Effect of non- deductible expenses	61.70	126.19
Carry forward / (Set off) of losses	11.41	-
Income tax expenses - Net	-	(37.50)

Tax on OCI

Actuarial changes	-	(5.10)
Capital Gain	35.97	1,985.58
Enacted tax rates in India (%) (11.44 / 15.60)	11.44%	11.44%
Computed expected tax expenses	4.11	227.15
Exemption under tax laws	(19.82)	(56.59)
Carry forward / (Set off) of losses	15.71	(26.05)
Others	-	0.33
Income tax expenses - Net	-	144.84

**(ii) Reconciliation of Deferred Tax of Profit and loss account and Other Comprehensive Income
Deferred tax (assets) / liabilities in relation to statement of profit and loss:**

Particulars	Opening	Recognized in P & L	Recognized in OCI	Closing
PPE including ROU Assets and R & D Assets	130.16	(70.57)	-	59.59
Compensated Absences	(7.60)	(0.01)	-	(7.61)
Other tax disallowance	(1.26)	0.76	-	(0.50)
Unabsorbed Tax Loss	(40.77)	40.77	-	-
Fair Value Changes of Investment held through OCI As at March 31, 2021	87.22	-	(90.97)	(3.75)
	167.75	(29.05)	(90.97)	47.73
PPE including ROU Assets and R & D Assets	59.59	22.59	-	82.18
Compensated Absences	(7.61)	0.76	-	(6.85)
Other tax disallowance	(0.50)	(1.09)	-	(1.59)
Unabsorbed Tax Loss	-	(11.41)	-	(11.41)
Fair Value Changes of Investment held through OCI As at March 31, 2022	(3.75)	-	4.60	0.85
	47.73	10.85	4.60	63.18

(All Figures are Rupees in Lacs unless otherwise stated)

32 Disclosure as required by Accounting Standard – IND AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015.

The earning per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding for basic & diluted EPS.

Particulars	2021-22	2020-21
Profit/ (Loss) after tax	17.18	(161.66)
Closing equity shares outstanding (Nos.)	49,16,980	49,16,980
Opening equity shares outstanding (Nos.)	49,16,980	49,16,980
Add:- issued during the year (Nos.)	-	-
Closing equity shares outstanding (Nos.)	49,16,980	49,16,980
Weighted avg no. of shares outstanding (Nos.) (Basic)	49,16,980	49,16,980
Weighted avg no. of shares outstanding (Nos.) (Diluted)	49,16,980	49,16,980
Nominal value of equity share (₹)	10.00	10.00
Basic EPS (₹)	0.35	(3.29)
Diluted EPS (₹)	0.35	(3.29)

33 Disclosure in accordance with Ind AS – 116 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015.

i) The following is the carrying value of lease liability:

Particulars	2021-22	2020-21
Opening Liability	229.05	235.86
Additions during the year	-	-
Finance cost accrued during the year	23.59	24.39
Deletions	-	-
Payment of lease liabilities	(32.63)	(31.20)
Balance	220.01	229.05

Breakup:

	2021-22	2020-21
Current portion of Lease liability	24.39	9.04
Non Current portion of Lease liability	195.62	220.01
	220.01	229.05

ii) Amounts recognised in the statement of cash flows

Particulars	2021-22	2020-21
Total cash outflow for leases	32.63	31.20

iii) The details of the contractual maturities of lease liabilities:

Particulars	2021-22	2020-21
Less than one year	45.99	32.63
One to five years	210.52	212.78
More than five years	61.49	105.22
Total	318.00	350.63

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(All Figures are Rupees in Lacs unless otherwise stated)

34 Disclosure as required by IND AS 108 “Operating Segment”, of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the “management approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company’s performance In accordance with IND AS “Operating Segment”, The Company has only one reportable operating segment i.e. Pharmaceuticals.

There are two parties which each individually account for more that 10% of sales of the company. Aggregate revenue of these two parties is ₹ 1,956.14Lacs.

35 Disclosure in accordance with Ind AS - 24 “Related Party Disclosures”, of the Companies (Indian Accounting Standards) Rules, 2015

A) List of related parties

Relationships

(i) Entities having significant influence

Shareholders of Makers Laboratories Ltd

Kaygee Investments Pvt.Ltd.

(Promoter holding together with its subsidiary more than 20%)

(ii) Entities where Control Exists

Resonance Specialties Limited

Subsidiary w.e.f December 11, 2020

(iii) Key Management Personnel

Mr. Saahil Parikh

Whole time Director

Ms. Dipti Shah

Independent Director

Mr. R K P Verma

Independent Director

Mr. P M Kathariya

Independent Director (Upto 29th September 2020)

Mr. Nilesh Jain

Whole time Director

Mr. Prashant Godha

Additional Director (w.e.f November 4, 2020)

Mr. Vishal Jain

Additional Director (w.e.f November 4, 2020)

(iv) Entities in which promoters have significant influence

Ipca Laboratories Ltd.

(v) Other Related parties

Relative of Key Management Personnel

Mr. Umesh Parikh

B) Details of related party transaction are given in statement 1 attached to the financial statement.

36 Analytical Ratios as per requirements of Schedule III are given in Statement 2

37 CSR Expenditure:

Gross amount required to be spent by the Company during the year Nil (previous year Nil).

(All Figures are Rupees in Lacs unless otherwise stated)

38 Contingent Liabilities and Commitments

A) Contingent Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Counter Guarantees given to Banks in respect of guarantees given by the bank on behalf of the Company to Government Authorities	1.27	1.20
Other moneys for which the Company is contingently liable for tax and other matters not accepted by the Company	146.36	132.16
Total	147.63	133.36

B) Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Estimated amount of contracts remaining to be executed on capital account. (Net of Capital Advances)		-
- Tangible Assets	197.97	11.55
	197.97	11.55

39 Financial Instruments

The carrying value and fair value of financial instruments by categories is as follows:

Particulars	Carrying Value		Fair Value	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Financial Assets				
Amortised Cost				
Loans	1.11	0.02	1.11	0.02
Others	147.52	241.05	147.52	241.05
Trade receivables	535.45	718.74	535.45	718.74
Cash and cash equivalents	13.55	34.41	13.55	34.41
Equity Instruments	2,244.41	2,244.41	2,244.41	2,244.41
FVTOCI				
Equity Instruments	10.23	121.46	10.23	121.46
Total Financial Assets	2,952.28	3,360.09	2,952.28	3,360.09
Financial Liabilities				
Amortised Cost				
Borrowings	1,719.74	1,369.54	1,719.74	1,369.54
Trade payables	408.20	605.87	408.20	605.87
Others	595.42	479.61	595.42	479.61
Lease Liability	220.01	229.05	220.01	229.05
Total Financial Liabilities	2,943.37	2,684.07	2,943.37	2,684.07

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, cash credit and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(All Figures are Rupees in Lacs unless otherwise stated)

40 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Particulars	Date of Valuation	Fair Value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
For the year ended March 31, 2022					
Financial Assets measured at fair value through OCI					
Listed Equity Investments	31/03/2022	10.23	-	-	10.23
Unlisted Equity Investments	31/03/2022	-	-	-	-
		10.23	-	-	10.23
Financial Assets measured at Amortised Cost					
Listed Equity Investments	31/03/2022	2,244.41	-	-	2,244.41
Loans	31/03/2022	-	-	1.11	1.11
Others	31/03/2022	-	-	147.52	147.52
Trade receivables	31/03/2022	-	-	535.45	535.45
Cash and cash equivalents	31/03/2022	-	-	13.55	13.55
		2,244.41	-	697.64	2,942.05
Total Financial Assets		2,254.64	-	697.64	2,952.28
Financial Liabilities measured at Amortised Cost					
Borrowings	31/03/2022	-	-	1,719.74	1,719.74
Lease Liability	31/03/2022	-	-	408.20	408.20
Trade Payable	31/03/2022	-	-	595.42	595.42
Other Financial Liability	31/03/2022	-	-	220.01	220.01
		-	-	2,943.37	2,943.37
Total Financial Liability		-	-	2,943.37	2,943.37
For the year ended March 31, 2021					
Financial Assets measured at fair value through OCI					
Listed Equity Investments	31/03/2021	9.14	-	-	9.14
Unlisted Equity Investments	31/03/2021	-	-	112.32	112.32
		9.14	-	112.32	121.46

(All Figures are Rupees in Lacs unless otherwise stated)

Financial Assets measured at Amortised Cost

Listed Equity Investments	31/03/2021	2,244.41	-	-	2,244.41
Loans	31/03/2021	-	-	0.02	0.02
Others	31/03/2021	-	-	241.05	241.05
Trade receivables	31/03/2021	-	-	718.74	718.74
Cash and cash equivalents	31/03/2021	-	-	34.41	34.41
		<u>2,244.41</u>	<u>-</u>	<u>994.22</u>	<u>3,238.63</u>
Total Financial Assets		<u>2,253.55</u>	<u>-</u>	<u>1,106.54</u>	<u>3,360.09</u>

Financial Liabilities measured at Amortised Cost

Borrowings	31/03/2021	-	-	1,369.54	1,369.54
Lease Liability	31/03/2021	-	-	605.87	605.87
Trade Payable	31/03/2021	-	-	479.61	479.61
Other Financial Liability	31/03/2021	-	-	229.05	229.05
		<u>-</u>	<u>-</u>	<u>2,684.07</u>	<u>2,684.07</u>
Total Financial Liability		<u>-</u>	<u>-</u>	<u>2,684.07</u>	<u>2,684.07</u>

41 Financial Risk Factors

The Company's business activities are exposed to a variety of financial risks: Market/Business risk, credit risk, Exchange risk, etc. The Company's focus is to foresee the unpredictability of financial and business risks and seek to minimize potential adverse effects of these risks on its business and financial performance.

(i) Business/Market Risk

The primary business/market risk to the company is the price risk on account of the drug pricing regime in the country. The Indian generic formulations market is currently in the growth phase. It is expected that use of generic formulations will gradually increase in India. However, cut throat competition, quality issues of generics manufactured in the country and non existence of organised generic formulations distribution and retailing system are a cause of concern and is hampering the growth of generic formulations market.

(ii) Credit Risk

The Company has exposure to credit risks associated with sales to various Customers. To mitigate these credit risks arising out of this, the Company on a regular basis evaluates the credit risk associated with a customer. Customer where no credit insurance is available, the Company monitors such risk by continuously monitoring its exposure to such customer. Based on the historical data, the Company has made adequate provisions for expected loss because of credit risk, which is neither significant nor material.

42 Capital Management

For the purpose of the Company's capital management, capital includes paid-up equity share capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares. The Company monitors capital using a gearing ratio, which is net debt divided by its total capital. The Company includes within its net debt the cash credit facilities, trade, lease and other payables less cash and cash equivalents.

(All Figures are Rupees in Lacs unless otherwise stated)

<u>Particulars</u>	<u>As at</u>	
	<u>31/03/2022</u>	<u>31/03/2021</u>
Borrowings	1,719.74	1,369.54
Current Maturity	-	-
Less: Cash and Cash Equivalents	(4.70)	(25.55)
Net debt	1,715.04	1,343.99
Total Equity Capital and net debt	5,030.02	4,962.10
Gearing Ratio	34.10%	27.09%

43 Figures of the previous year have been regrouped to conform to the requirements of Schedule III

44 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31,2022

**As per our report of even date attached
For Natvarlal Vepari & Co.**

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran

Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director & CEO

Nilesh Jain
(DIN 05263110)
Wholetime Director

Rinku Kholakiya
(ACS 63175)
Company Secretary

Sandeep Kadam
CFO

(All Figures are Rupees in Lacs unless otherwise stated)

Statement - 1

Related Party Disclosure as required by Indian Accounting Standard – IND AS 24 “Related Party Transactions” of the Companies (Accounting Standards) Rule 2015.

Transactions with Related Parties

Description	Entities where control Exists Subsidiaries		Key Management Personnel		Entities in which promoters have significant influence		Other Related Parties		Total	
	Mar 22	Mar 21	Mar 22	Mar 21	Mar 22	Mar 21	Mar 22	Mar 21	Mar 22	Mar 21
Purchase of goods and services										
Ipca Laboratories Ltd	-	-	-	-	85.80	131.03	-	-	85.80	131.03
TOTAL	-	-	-	-	85.80	131.03	-	-	85.80	131.03
Purchase of assets										
Ipca Laboratories Ltd	-	-	-	-	0.67	-	-	-	0.67	-
TOTAL	-	-	-	-	0.67	-	-	-	0.67	-
Sales of goods and services										
Ipca Laboratories Ltd	-	-	-	-	1,307.59	1,011.10	-	-	1,307.59	1,011.10
TOTAL	-	-	-	-	1,307.59	1,011.10	-	-	1,307.59	1,011.10
Other income reimbursements										
Ipca Laboratories Ltd	-	-	-	-	10.00	-	-	-	10.00	-
TOTAL	-	-	-	-	10.00	-	-	-	10.00	-
Rent income Received										
Resonance Specialties Ltd	3.00	0.92	-	-	-	-	-	-	3.00	0.92
TOTAL	3.00	0.92	-	-	-	-	-	-	3.00	0.92
Reimbursement of Expenses paid on behalf of										
Resonance Specialties Ltd	-	1.18	-	-	-	-	-	-	-	1.18
TOTAL	-	1.18	-	-	-	-	-	-	-	1.18
Sale of quoted Shares thru block deal mechanism of SE										
Kaygee Investments Pvt.Ltd.	-	-	-	-	-	2,086.81	-	-	-	2,086.81
TOTAL	-	-	-	-	-	2,086.81	-	-	-	2,086.81
Sale of Shares										
Kaygee Investments Pvt.Ltd.	-	-	-	-	167.86	-	-	-	167.86	-
TOTAL	-	-	-	-	167.86	-	-	-	167.86	-
Dividend Income :										
Ipca Laboratories Ltd	-	-	-	-	0.04	0.04	-	-	0.04	0.04
Resonance Specialties Ltd	52.50	-	-	-	-	-	-	-	52.50	-
TOTAL	52.50	-	-	-	0.04	0.04	-	-	52.54	0.04
Other expenses paid:										
Ipca Laboratories Ltd	-	-	-	-	2.63	0.85	-	-	2.63	0.85
TOTAL	-	-	-	-	2.63	0.85	-	-	2.63	0.85
Advance received										
Ipca Laboratories Ltd	-	-	-	-	300.00	-	-	-	300.00	-
TOTAL	-	-	-	-	300.00	-	-	-	300.00	-
ICD received										
Ipca Laboratories Ltd	-	-	-	-	640.00	-	-	-	640.00	-
TOTAL	-	-	-	-	640.00	-	-	-	640.00	-
ICD interest paid										
Ipca Laboratories Ltd	-	-	-	-	6.13	-	-	-	6.13	-
TOTAL	-	-	-	-	6.13	-	-	-	6.13	-
Remuneration to Directors										
Mr. Saahil Parikh	-	-	49.60	46.61	-	-	-	-	49.60	46.61
Mr. Nilesh Jain	-	-	27.09	25.97	-	-	-	-	27.09	25.97
TOTAL	-	-	76.69	72.58	-	-	-	-	76.69	72.58
Provident Fund										
Mr. Saahil Parikh	-	-	3.94	3.63	-	-	-	-	3.94	3.63
Mr. Nilesh Jain	-	-	2.39	2.19	-	-	-	-	2.39	2.19
TOTAL	-	-	6.33	5.82	-	-	-	-	6.33	5.82
Sitting Fee to Non-executive Directors										
Mrs. Dipti Shah	-	-	1.45	1.90	-	-	-	-	1.45	1.90
Mr. R K P Verma	-	-	1.85	2.00	-	-	-	-	1.85	2.00
Mr. P M Kathariya	-	-	-	0.95	-	-	-	-	-	0.95
Mr. Prashant Godha	-	-	0.75	0.30	-	-	-	-	0.75	0.30
Mr. Vishal Jain	-	-	1.95	0.60	-	-	-	-	1.95	0.60
TOTAL	-	-	6.00	5.75	-	-	-	-	6.00	5.75
Salaries Paid										
Umesh Parikh	-	-	-	-	-	-	23.88	16.65	23.88	16.65
TOTAL	-	-	-	-	-	-	23.88	16.65	23.88	16.65
Deposit received *										
Resonance Specialties Ltd	-	1.50	-	-	-	-	-	-	-	1.50
TOTAL	-	1.50	-	-	-	-	-	-	-	1.50
Closing Balances of Related Parties										
Balance at year end										
Receivables										
Ipca Laboratories Ltd	-	-	-	-	74.11	138.23	-	-	74.11	138.23
Resonance Specialties Ltd	-	0.28	-	-	-	-	-	-	-	0.28
TOTAL	-	0.28	-	-	74.11	138.23	-	-	74.11	138.51
Payables										
Ipca Laboratories Ltd	-	-	-	-	958.25	25.95	-	-	958.25	25.95
Resonance Specialties Ltd	1.50	1.50	-	-	-	-	-	-	1.50	1.50
TOTAL	1.50	1.50	-	-	958.25	25.95	-	-	959.75	27.45

* Deposit shown above is actual amount of Deposit Received and not discounted

(All Figures are Rupees in Lacs unless otherwise stated)

Statement - 2 Ratios						
Sr. No.	Ratio	Numerator/ Denominator	Ratio (2021-22)	Ratio (2020-21)	% of Variation	Reason for variance
1	Current ratio	Current Asset / Current Liabilities	0.72	1.10	-34.71%	Decrease in current assets as unbilled revenue in Mar'22- Nil (Mar'21-104.17 Lacs) - Not due trade receivables in Mar'22-489.38 Lacs (Mar'21- 685.60 Lacs) and increase in current liabilities due to customer advance of 300 Lacs and short term borrowings of 640 Lacs
2	Debt-Equity ratio	Total Debts / Shareholders Equity	0.39	0.32	19.70%	
3	Debt Service Coverage ratio # Debts includes Lease Liability	Earnings available for debt service / Debt Service	0.97	1.10	-12.13%	
4	Return on Equity ratio (ROE)	Net Profits after taxes – Preference Dividend / Average Shareholder's Equity	0.34%	-3.43%	-110.02%	Marginal Profit in current year as against loss in previous year resulted in positive return on equity.
5	Inventory Turnover Ratio	Cost of goods sold / Average Inventory	2.48	2.14	15.88%	
6	Trade Receivables turnover ratio	Sales / Average Accounts Receivable	8.33	6.00	38.75%	18% increase in revenue and decrease in receivables has resulted in a positive increase
7	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	5.77	3.34	72.81%	Eventhough the average trade payables has decreased by 24.28% because of increase in input costs by 30.85% there is an increase in turnover ratio.
8	Net capital turnover ratio	Revenue / Average working capital	(16.82)	13.56	-224.08%	Decrease in current assets and increase in current liabilities has resulted in decrease in ratio eventhough there is an increase of revenue from operations by 18%
9	Net profit ratio	Net Profit after Tax / Net Sales	0.33%	-3.65%	-109.00%	Due to increase in revenue and decrease in depreciation there is a improvement in net profit ratio
10	Return on Capital employed (ROCE)	Earning before interest and taxes / Capital Employed	2.92%	-0.76%	-483.80%	Increase in profit before tax and interest has resulted in marginal increase in ROCE as there is increase in current borrowings
11	Return on Investment (ROI)	$\frac{MV(T1) - MV(T0) - \text{Sum } [C(t)]}{\{MV(T0) + \text{Sum } [W(t)] * C(t)\}}$	0.00%	0.00%	0.00%	Since the Company does not have any treasury investments, this ratio is not worked out.

Where:

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $[T1 - t] / T1$

Companies may provide ROI separately for each asset class (e.g., equity, fixed income, money market, etc.).

(All Figures are Rupees in Lacs unless otherwise stated)

Statement - 3
Details of Returns Submitted to the lenders 2021-22

Sr No	Month	Name of the lender	Facility	Sanctioned Amount	As per Books		As Submitted to the lenders		Difference		Reason for Difference
					Stock	Book debts	Stock	Book debts	Stock	Book debts	
1	Jun-21	YES BANK LTD	CASH CREDIT	500.00	1,143.93	677.13	935.61	666.10	208.33	11.03	The difference is due to Stock in the books valued net of GST and including stock lying with Consignee Sale Distributors (CSDs).
2	Sep-21	YES BANK LTD	CASH CREDIT	500.00	1,077.61	865.21	903.26	858.71	174.35	6.50	
3	Dec-21	YES BANK LTD	CASH CREDIT	500.00	1,126.29	694.78	986.11	683.03	140.17	11.75	
4	Mar-22	YES BANK LTD	CASH CREDIT	500.00	1,128.38	542.85	981.45	537.77	146.92	5.08	

Details of Returns Submitted to the lenders 2020-21

Sr No	Month	Name of the lender	Facility	Sanctioned Amount	As per Books		As Submitted to the lenders		Difference		Reason for Difference
					Stock	Book debts	Stock	Book debts	Stock	Book debts	
1	Jun-20	YES BANK LTD	CASH CREDIT	500.00	1,048.64	688.65	857.88	677.63	190.77	11.03	The difference is due to Stock in the books valued net of GST and including stock lying with Consignee Sale Distributors (CSDs).
2	Sep-20	YES BANK LTD	CASH CREDIT	500.00	975.86	733.12	710.92	730.97	264.94	2.15	
3	Dec-20	YES BANK LTD	CASH CREDIT	500.00	877.50	652.20	741.21	640.45	136.30	11.76	
4	Mar-21	YES BANK LTD	CASH CREDIT	500.00	923.95	727.92	713.70	717.03	210.24	10.89	

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Makers Laboratories Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Makers Laboratories Limited (hereinafter referred to as the "Holding Company") and its Subsidiary (The Holding Company and its Subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated profit, their consolidated total Comprehensive Income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters:

Sr No	Key Audit Matters (KAM's)	How the KAM's were addressed in our audit
1	<p>Inventory Valuation</p> <p>Refer note 3(xi) of the Statement of Significant Accounting Policies. The Company manufactures and sells pharmaceutical products which carry shelf life. As a result, significant level of judgement is involved in estimating inventory valuation. Judgement is required to assess the appropriate net realisable value for short dated pharmaceutical products. Such judgements include management expectations for future sales and inventory liquidation plans.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • We attended stock counts to identify whether any inventory was obsolete, • We assessed the basis for the inventory valuation, the consistency in policy and the rationale in its application, • We tested the accuracy of the ageing of inventories based on system generated reports, • We tested the arithmetical accuracy of valuation files; and • We reviewed product-wise historical data relating to sales return etc. and also its impact on valuation.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Holding Company's Annual Report excluding the Consolidated and Standalone Financial Statements and our Independent Auditors' Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for

expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the Consolidated Financial Statements and other financial information of the Group to express an opinion on the Consolidated Financial Statement. We are responsible for the direction, supervision and performance of the audit of financial information of the Holding Company included in the Statement of which we are the independent auditors. For the other entity included in the Consolidated Financial Statement, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

We did not audit the financial statements of Resonance Specialties Limited, whose financial statements reflect total assets of ₹ 5,677.35 Lacs as at March 31, 2022, total revenue of ₹ 7,710.58 lacs and net cash inflow amounting to ₹ 266.38 lacs for the year ended on that date, as considered in the preparation of the consolidated financial statements. The said financial statements have been audited by their respective independent auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditor and the procedures stated by us in paragraph above. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included

in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Company and received from the auditor of the subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

2. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement relevant books of account and other relevant records maintained for the purpose of preparation of the Consolidated Financial Statements.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls with reference to Financial Statements of the Holding Company and its subsidiary incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Consolidated Financial Statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Companies Act 2013.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates – Refer Note 37 to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
 - iii. There are no amounts which are required to be transferred to Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security

or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company, and based on the report received from the subsidiary auditor, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. There are no events of dividend declared and paid by the Holding Company during the year until the date of this report, hence compliance with provisions of section 123 of the Companies Act, 2013 is not required.

On the basis of the report of the auditor of the subsidiary company we report that the subsidiary has complied with the provisions of section 123 in respect of the dividends declared and paid during the year.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner
M. No. – 040441
UDIN: 22040441AJSIZZ3453

Mumbai,
Dated: May 27, 2022

Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Makers Laboratories Limited (hereinafter referred to as 'the Holding Company') and its subsidiary which is incorporated in India, as on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and Subsidiary which is company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

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

Opinion

In our opinion, the Holding Company and its subsidiary, which is company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to financial statements of subsidiary, which is company incorporated in India, are based on the corresponding report of the auditor of such companies incorporated in India.

Mumbai,
Dated: May 27, 2022

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

N Jayendran
Partner
M. No. – 040441
UDIN: 22040441AJSIZZ3453

(All Figures are Rupees in Lacs unless otherwise stated)

Consolidated Balance Sheet as at March 31, 2022

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipment	3	6,626.08	6,899.62
(b) Capital Work-in-Progress	3C	938.44	16.16
(c) Right Of Use Asset	3B	180.66	206.34
(d) Other Intangible Assets	3A	22.82	33.08
(e) Intangible Assets Under Development	3C	-	-
(f) Financial Assets			
(i) Investments	4	22.08	121.46
(ii) Loans	5	0.24	-
(iii) Others	6	140.84	132.26
(g) Other Non-current Assets	7	211.08	106.47
		<u>8,142.24</u>	<u>7,515.39</u>
(2) Current Assets			
(a) Inventories	8	2,384.39	2,746.68
(b) Financial Assets			
(i) Investments	4	-	75.35
(ii) Trade Receivables	9	1,355.47	1,660.80
(iii) Cash and Cash Equivalents	10	230.85	527.32
(iv) Bank Balances other than (iii) above	11	636.20	94.21
(v) Loans	5	1,000.87	0.02
(vi) Others	6	81.78	178.79
(c) Current Tax Assets (Net)		-	-
(d) Other Current Assets	7	601.50	820.71
		<u>6,291.06</u>	<u>6,103.88</u>
TOTAL ASSETS		<u>14,433.30</u>	<u>13,619.27</u>
EQUITY & LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	491.70	491.70
(b) Other Equity	13	5,466.34	4,921.17
Equity attributable to the shareholders of the Holding company		<u>5,958.04</u>	<u>5,412.87</u>
Non Controlling Interest		3,851.19	3,244.33
LIABILITIES			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	268.68	552.84
(ii) Lease Liability	33	194.49	220.01
(iii) Other Financial Liabilities	15	-	-
(b) Provisions	16	43.05	38.12
(c) Deferred Tax Liabilities (Net)	17	817.09	838.77
(d) Other Non-current Liabilities	18	-	-
		<u>1,323.31</u>	<u>1,649.74</u>
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1,451.06	877.59
(ii) Lease Liability	33	25.51	9.04
(ii) Trade Payables	20		
- Due to Micro, Small and Medium Enterprises		153.87	363.12
- Due to Others		368.83	1,089.77
(iv) Other Financial Liabilities	15	631.93	543.38
(b) Other Current Liabilities	18	413.54	95.90
(c) Provisions	16	237.27	214.44
(d) Current Tax Liabilities (Net)		18.75	119.09
		<u>3,300.76</u>	<u>3,312.33</u>
TOTAL EQUITY AND LIABILITIES		<u>14,433.30</u>	<u>13,619.27</u>

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

As per our report of even date attached
For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholtime Director & CEO

Rinku Kholakiya
(ACS 63175)
Company Secretary

Nilesh Jain
(DIN 05263110)
Wholtime Director

Sandeep Kadam
CFO

(All Figures are Rupees in Lacs unless otherwise stated)

Consolidated Statement of Profit and Loss for the period ended March 31, 2022

Particulars	Note	2021-22	2020-21
I Revenue from Operations	21	12,662.59	6,864.11
II Other Income	22	318.01	95.62
III Total Income (I + II)		12,980.60	6,959.73
IV Expenses:			
Cost of Materials Consumed	23	2,969.88	1,447.66
Purchase of Stock in Trade	24	2,221.48	1,644.82
Changes in inventories of Finished goods, Work-in-Progress and Stock-in-Trade	25	56.74	(176.48)
Employee Benefit Expenses	26	1,251.06	870.54
Finance Cost	27	173.26	175.10
Depreciation & Amortisation	28	402.35	461.07
Other Expenses	29	4,337.75	2,266.55
Total Expenses (IV)		11,412.52	6,689.26
V Profit/ (Loss) Before exceptional items and Tax (III-IV)		1,568.08	270.47
VI Exceptional Items income/ (expenses)	36	0.75	-
VII Profit/ (Loss) Before Tax (V+VI)		1,568.83	270.47
VIII Tax Expense			
1. Current Tax	30	441.26	136.75
2. Short / (Excess) Provision of earlier years	30	(20.51)	22.78
3. Deferred Tax Liability / (Asset) incl. MAT Credit	30	(23.65)	(23.92)
IX Profit/ (Loss) for the period (VII-VIII)		1,171.73	134.86
X Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
(a) Actuarial gain and loss		(4.85)	(6.09)
Tax Effect thereon	31	2.63	(0.50)
(b) Fair Value change through Other Comprehensive Income		56.63	720.80
Tax Effect thereon	31	(11.17)	(53.87)
Other Comprehensive Income for the year, net of tax		43.24	660.34
Total Comprehensive Income for the year		1,214.97	795.20
Profit for the period attributable to :			
Owners of the parent		497.84	(32.92)
Non-controlling interest - profit / (loss)		673.89	167.78
		1,171.73	134.86
Other Comprehensive Income for the period attributable to :			
Owners of the parent		47.33	661.16
Non-controlling interest - profit / (loss)		(4.09)	(0.82)
		43.24	660.34
Total Comprehensive Income for the period attributable to :			
Owners of the parent		545.17	628.24
Non-controlling interest - profit / (loss)		669.80	166.96
		1,214.97	795.20
XI Earnings per Equity Share :			
Par Value ₹ 10 each			
Basic (in ₹)	32	10.12	(0.67)
Diluted (in ₹)	32	10.12	(0.67)

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss

**As per our report of even date attached
For Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director & CEO

Nilesh Jain
(DIN 05263110)
Wholetime Director

Rinku Kholakiya
(ACS 63175)
Company Secretary

Sandeep Kadam
CFO

(All Figures are Rupees in Lacs unless otherwise stated)

Consolidated Cash Flow Statement for the year ended March 31, 2022

Particulars	Apr 21 - Mar 22
A. Cash Flow from Operating Activities	
1) Net profit before taxation and extraordinary item	1,568.83
Adjustments for :	
Depreciation	402.35
(Profit)/ Loss on sale of Property, Plant & Equipment	5.17
(Profit)/Loss on sale of Mutual funds	(6.82)
Assets Scrapped	16.14
Bad debts w/off	6.13
Unwinding of Lease rent Income	(0.44)
Unwinding of Lease rent Expenses	0.16
Interest income	(74.99)
Dividend income	(0.04)
Interest expense	173.26
	2,089.75
2) Operating profit before working capital changes	
Decrease / (Increase) in Inventories	362.29
Decrease / (Increase) in Trade Receivables	299.20
Decrease / (Increase) in Other Financial Assets	(908.24)
Decrease / (Increase) in Other Assets	222.25
Increase / (Decrease) in Trade Payables	(930.19)
Increase / (Decrease) in Other Financial Liabilities	(62.43)
Increase / (Decrease) in Other Liabilities	317.64
Increase / (Decrease) in Provisions	22.89
3) Cash generated from operation	1,413.16
Income tax paid (net)	(563.31)
Net cash from operating activities	849.85
B. Cash Flow from Investing Activities	
Purchase of Property, Plant & Equipment including capital WIP & Intangibles	(988.82)
Proceeds from Sale of Plant, Property and Equipment	60.63
Sale of Investments	167.86
Sale of mutual funds	70.32
Movement in other bank balances	(559.60)
Interest received	70.41
Dividend received	0.04
Net cash from / (used) in investing activities	(1,179.16)
C. Cash Flow from Financing Activities	
Interest paid	(160.90)
Proceeds/ (Repayment) from short term borrowing (Net)	534.59
Repayment from Non-Current borrowing	(245.28)
Payment of lease Liability	
- Interest	(23.59)
- Principal	(9.04)
Dividend & dividend tax paid	(62.94)
Net cash from (used in) financing activities	32.84
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(296.47)
Cash and cash equivalents at beginning of year	527.32
Cash and cash equivalents at end of year	230.85
Components of Cash & Cash equivalents :	
Cash and cheques on hand	1.38
Balance with banks	229.47
	230.85

Refer note no. 14 (e) for reconciliation of liabilities from financing activities

Note: Since the CFS was prepared for the first time in the previous year consequent to business acquisition, the Cash Flow statement for the previous year under the indirect method could not be prepared in the absence of the opening Balance Sheet. Therefore comparative figures for the previous year are not presented.

**As per our report of even date attached
For Natvarlal Vepari & Co.**

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran

Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholtime Director & CEO

Nilesh Jain
(DIN 05263110)
Wholtime Director

Rinku Kholakiya
(ACS 63175)
Company Secretary

Sandeep Kadam
CFO

(All Figures are Rupees in Lacs unless otherwise stated)

1. Statement of Changes in Equity for the year ended March 31, 2022

Equity Share Capital

Equity share capital of face value (₹) 10.00 each
Balance as at March 31, 2020
Changes in equity share capital during the year
Balance as at March 31, 2021
Changes in equity share capital during the year
Balance as at March 31, 2022

No. of shares	Amount
49,16,980	491.70
-	-
49,16,980	491.70
-	-
49,16,980	491.70

Other Equity

Particulars	Other Equity				Equity Attributed to the Shareholders of the Company	Non Controlling Interest	Total
	Reserves and Surplus	Capital Reserve on Bargain purchase	Retained Earnings	Fair Value of Investment through OCI			
Balance as on April 1, 2020					3,970.23		3,970.23
Arising on Business Combination					322.70	3,077.37	3,400.07
Profit for the period			(32.92)		(32.92)	167.78	134.86
Gain/ (Loss) on Fair Value of Investment through OCI (Net of tax thereon)	108.64	1,200.00	1,192.19	1,166.64	666.93	(0.82)	666.11
Actuarial gain/(loss) on gratuity (Net of tax thereon)			(5.77)		(5.77)		(5.77)
Transfer to Retained Earning on Sale of Investment Through OCI			1,840.74	(1,840.74)			
Balance as on March 31, 2021	302.76	1,200.00	2,994.24	(7.17)	4,921.17	3,244.33	8,165.50
Profit for the period			497.84		497.84	673.89	1,171.73
Dividend paid for the year 2021-22						(62.94)	(62.94)
Gain/ (Loss) on Fair Value of Investment through OCI (Net of tax thereon)				45.46	45.46	(4.09)	41.37
Actuarial gain/(loss) on gratuity (Net of tax thereon)			1.87		1.87		1.87
Transfer to Retained Earning on Sale of Investment Through OCI			35.97	(35.97)			
Balance as on March 31, 2022	302.76	1,200.00	3,529.92	2.32	5,466.34	3,851.19	9,317.53

Note:

- In Previous Year the Holding Company has sold 1,01,000 equity shares of Ipca Laboratories Limited held as Investment at Fair Value through OCI during the ended March 31, 2021. The aggregate of sale consideration net of acquisition cost and tax thereon of ₹ 1,840.74 lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning through Statement of Changes in Equity.
- During the year the Holding Company has sold 11,990 equity shares of Mexin Medicaments Pvt Ltd held as Investment at Fair Value through OCI during the ended March 31, 2022. The aggregate of sale consideration net of acquisition cost and tax thereon of ₹ 35.97 lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning through Statement of Changes in Equity.
- Gain of ₹ 1.87 lacs and loss of ₹ 5.77 lacs on remeasurement of defined employee benefit plans (net of tax) is recognized as a part of retained earnings for the years ended March 31, 2022 and 2021, respectively.

As per our report of even date attached

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

N. Jayendran
Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholesale Director & CEO

Nilesh Jain
(DIN 05263110)
Wholesale Director

Rinku Kholakiya
(ACS 63175)
Company Secretary

Sandeep Kadam
CFO

Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2022.**1. Corporate Information:**

Incorporated in the year 1984, Makers Laboratories Limited is an integrated pharmaceutical company manufacturing and marketing around 200 formulations. The Company has one manufacturing unit in India manufacturing formulations for the Indian market.

The consolidated financial statements for the year ended March 31, 2022, were authorised for issue in accordance with the resolution passed at the meeting of the Board of Directors held on May 27, 2022.

2. a. Basis and Principles of Consolidation:

The Company acquired 52,50,000 Equity shares of ₹ 10 each of Resonance Specialties Limited (Resonance) on September 30, 2020, which represents 45.48% of voting rights. The open offer process under SEBI (SAST) Regulations was completed on December 10, 2020. The Company has de-facto control over Resonance in accordance with Ind AS 110 - Consolidated Financial Statements under the Companies (Indian Accounting Standards) Rules 2015. Accordingly, the Company has consolidated the results of Resonance from December 11, 2020, as a subsidiary.

The consolidated financial statements relate to the Company, and its aforesaid Subsidiary (the holding and subsidiary together referred to as "The Group"). The consolidated financial statements have been prepared in accordance with Indian Accounting Standard - 110 "Consolidated Financial Statement" of the Companies (Indian Accounting Standards) Rules 2015 as amended by the Companies (Indian Accounting Standards) Amendment) Rules, 2016 and other relevant provisions of the Act. The consolidated financial statements have been prepared on the following basis: -

The consolidated financial statements of the Group are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded. The financial statements of the Subsidiary used in consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March. The difference between the cost to the Company of its investments in the subsidiary over the Company's portion of equity computed on acquisition date based on fair value of assets and liabilities are recognized in the financial statement as Goodwill / Capital Reserve on consolidation.

The Subsidiary included in the Consolidation and the Company's holding therein is as follows:

Resonance Specialties Limited, an entity in which there is de facto control and in which the Company's interest is 45.48%.

b. Presentation of Consolidated Financial Statements

Since the acquisition of Resonance Specialties Limited has resulted in the Group preparing consolidated financial statements for the first time in the previous year, the comparative figures for the previous year ended March 31, 2021, in the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and in the Consolidated Statement of Changes in Equity for the year then ended are for the period December 11, 2020 to March 31, 2021, and hence not strictly comparable. Further, in the absence of the preceding previous period consolidated balance sheet, the Consolidated Statement of cash flow under the indirect method cannot be prepared for the previous year and hence the same is not presented in the current year.

3. Significant Accounting Policies:**i. Basis of Preparation
Statement of Compliance**

The consolidated financial statements comply in all material aspects with Indian Accounting Standards ("Ind

AS”) prescribed under Section 133 of the Companies Act, 2013 (“the Act”), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- b. defined benefit plans - plan assets measured at fair value.

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

The consolidated financial statements are presented in INR and all values are rounded to the nearest lacs, except otherwise stated.

ii. Use of Judgments, Estimates and Assumption

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

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the timing and the level of future taxable profits together with future tax planning strategies.

b. Defined benefit plans (Gratuity benefits)

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Useful lives of Property, Plant and Equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d. Impairment of Property, Plant and Equipment

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the assets or CGU’s recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized.

e. Inventories

The Group estimates the net realizable value (NRV) of its inventories by considering estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

f. Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on experience and circumstances known at the closing date. The actual outflow of resources at a future date may, therefore, vary from the amount included in other provisions.

iii. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

• Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

• Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any material impact in its recognition of its property, plant and equipment in its financial statements.

• Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Group does not expect the amendment to have any significant impact in its financial statements.

• Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

• Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

iv. Current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

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

An asset is current when:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle, or
- It is held primarily for the purpose of trading, or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

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

v. Property, Plant and Equipment

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Cost of acquisition comprises its purchase price including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discount and rebates are deducted in arriving at the purchase price.
- b) Stores and spares which meet the definition of Property, Plant and Equipment and satisfy the recognition criteria of Ind AS 16 are capitalized as Property, Plant and Equipment.
- c) Capital Work in Progress represents expenditure incurred on capital assets that are under construction or are pending capitalization and includes project expenses pending allocation. Project expenses pending allocation are apportioned to the Property, Plant and Equipment of the project proportionately on capitalization.
- d) Cost of borrowing for assets taking substantial time to be ready for use is capitalized for the period up to the time the asset is ready for its intended use.
- e) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- f) The residual useful life of Property, Plant & Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates.
- g) Depreciation method, estimated useful lives and residual value.

Depreciation on all assets of the Group is charged on straight line method, over the useful life of assets mentioned in Schedule II to the Companies Act, 2013 or the useful life previously assessed by the management based on technical review whichever is lower for the proportionate period of use during the year. Intangible assets are amortised over the economic useful life estimated by the management.

The management's estimated useful life/useful life as per schedule II whichever is lower for the various tangible assets are as follows:

Assets	Estimated useful life (Years)
Leasehold Land	Period of Lease
Plant and Equipment	5 to 20 Years
Effluent Treatment Plant	15 Years
Vehicle	10 Years
Building	28 to 58 Years
Furniture and Fixtures	10 Years

vi. Gains or losses arising from derecognition of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized. Intangible assets

The Group has elected to fair value its intangible assets on transition date. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on several factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The management has estimated the economic useful life for the various intangible assets as follows:

Brands and Trademarks	4 Years
Software for internal use	4 Years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

vii. Revenue recognition

- a. The Group derives revenues primarily from sale of products and services. Revenue from sale of goods is recognized net of returns, product expiry claims and discounts.

Revenue is recognized on satisfaction of performance obligations upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

To recognize revenues, the group applies the following five step approach:

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognized over time.

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Where Revenue is recognized over time, the amount of revenue is determined on the basis of contract costs incurred in relation to estimated contract expenses.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue in respect of transactions thru parties acting as agents is recognized only on completion of the performance obligation of the agent with corresponding accrual of agency commissions.

The Group presents revenues net of indirect taxes in its statement of profit and loss.

- b. In case of export benefits which are in the nature of neutralisation of duties and taxes are grouped under material costs. All other export incentives are grouped under other operating revenue.
- c. Revenue in respect of insurance/other claims, commission, etc. are recognized only when it is reasonably certain that the ultimate collection will be made.
- d. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

viii. Borrowings

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

ix. Impairment of assets

Carrying amount of Tangible assets, Intangible assets, Investments in Subsidiaries, Joint Venture and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

x. Leases

The Group, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

xi. Inventories

Items of inventories are valued at lower of cost or estimated net realisable value as given below:

Raw Materials and Packing Materials	Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First Out basis.
Work-in-process and Finished Goods	At lower of cost (material cost net of refundable taxes, labour cost and all manufacturing overheads) and net realisable value.
Stores and Spares	Stores and spare parts are valued at lower of cost computed on First-in-First- out method and net realisable value.
Traded Goods	Traded Goods are valued at lower of cost and net realisable value.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, estimated shelf life, price changes, introduction of competitive new products and such other related factors.

Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition.

xii. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities in the balance sheet.

xiii. Provisions, contingent liabilities and contingent assets

Provision

A Provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

xiv. Retirement and other employee benefits

Provident fund

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

Gratuity

Gratuity, a post-employment defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected unit credit method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absences

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

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia, bonus and performance incentive are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

xv. Foreign currencies

Transactions and balances:

- i. The functional currency of the group is the Indian rupee. These financial statements are presented in Indian rupees.
- ii. Transactions denominated in foreign currency are recorded at the exchange rate on the date of transaction where the settlement of such transactions are taking place at a later date. The exchange gain/loss on settlement / negotiation during the year is recognized in the statement of profit and loss. In case of advance payment for purchase of assets/ goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/ received.
- iii. Foreign currency monetary transactions remaining unsettled at the end of the year are converted at year-end rates. The resultant gain or loss is accounted for in the statement of profit and loss.
- iv. Non-monetary items that are measured at historical cost denominated in foreign currency is translated using exchange rate at the date of transaction.

xvi. Fair Value Measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

xvii. Financial instruments**a. Financial assets & financial liabilities**

Initial recognition and measurement

All financial assets and liabilities are recognized initially at fair value.

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is treated as cost of acquisition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) is recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 7 details how the entity determines whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

De-recognition of financial instruments

A financial asset is de-recognized only when,

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

A financial liability (or a part of a financial liability) is de-recognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

b. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The group uses derivative financial instruments such as forward currency contracts, interest rate swaps to hedge its foreign currency risks, interest rate risks, respectively.

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognized in the statement of profit and loss.

xviii. Cash flow statement

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

xix. Goods and service tax input credit

Input tax credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

xx. Taxes

Tax expenses comprise Current Tax and Deferred Tax:

a. Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

b. Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

For items recognized in OCI or equity, deferred / current tax is also recognized in OCI or equity.

xxi. Earnings per share

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

(All Figures are Rupees in Lacs unless otherwise stated)

Notes to Consolidated financial statements as at and for the year ended March 31, 2022

3. Property, Plant & Equipment

Particulars	Freehold Land	Leasehold Land	Building	Plant and Equipment	Office and Other Equipment	Effluent Treatment Plant	Furniture and Fixtures	Vehicles	R & D - Plant and Equipment	Total
Gross Block										
As on 01/04/2020	210.23	-	1,434.89	1,760.06	14.35	11.98	68.41	28.55	91.81	3,620.28
Addition through Business combination		2,816.82	12.95	1,127.66	5.64	-	4.22	9.39	51.28	4,027.96
Additions	-	-	17.36	218.55	5.16	-	7.90	-	-	248.97
Disposals / Adjustments	-	-	-	(0.74)	-	-	-	-	-	(0.74)
As on 31/03/2021	210.23	2,816.82	1,465.20	3,105.53	25.15	11.98	80.53	37.94	143.09	7,896.47
Additions	-	-	35.25	128.77	8.15	-	-	-	2.04	174.21
Disposals / Adjustments	-	-	(20.55)	(84.66)	(46.85)	-	(16.90)	(13.44)	-	(182.40)
As on 31/03/2022	210.23	2,816.82	1,479.90	3,149.64	(13.55)	11.98	63.63	24.50	145.13	7,888.28
Accumulated Depreciation										
As on 01/04/2020	-	-	145.25	332.35	5.32	1.62	29.14	13.66	37.09	564.43
For the year 2020-21	-	13.21	76.91	304.82	5.94	1.87	10.37	3.70	15.90	432.72
Disposals / Adjustments	-	-	-	(0.30)	-	-	-	-	-	(0.30)
As on 31/03/2021	-	13.21	222.16	636.87	11.26	3.49	39.51	17.36	52.99	996.85
For the year 2021-22	-	43.49	62.41	230.94	4.40	0.59	4.36	4.99	14.63	365.81
Disposals / Adjustments	-	-	(7.72)	(18.82)	(44.31)	-	(15.62)	(13.99)	-	(100.46)
As on 31/03/2022	-	56.70	276.85	848.99	(28.65)	4.08	28.25	8.36	67.62	1,262.20
Net Block as on 31/03/2021	210.23	2,803.61	1,243.04	2,468.66	13.89	8.49	41.02	20.58	90.10	6,899.62
Net Block as on 31/03/2022	210.23	2,760.12	1,203.05	2,300.65	15.10	7.90	35.38	16.14	77.51	6,626.08

(All Figures are Rupees in Lacs unless otherwise stated)

3A. Other Intangible Assets

Particulars	Computer Software	Brand / Trade Mark	Inhouse developed technology	Total
Gross Block				
As on 01/04/2020	12.02	0.13	-	12.15
Addition through Business combination	-	-	26.12	26.12
Additions	2.71	-	-	2.71
Disposals / Adjustments	-	-	-	-
As on 31/03/2021	14.73	0.13	26.12	40.98
Additions	0.61	-	-	0.61
Disposals / Adjustments	-	-	-	-
As on 31/03/2022	15.34	0.13	26.12	41.59
Accumulated Amortisation				
As on 01/04/2020	5.10	0.13	-	5.23
For the year 2020-21	1.83	-	0.84	2.67
Disposals / Adjustments	-	-	-	-
As on 31/03/2021	6.93	0.13	0.84	7.90
For the year 2021-22	2.60	-	8.26	10.86
Disposals / Adjustments	-	-	-	-
As on 31/03/2022	9.53	0.13	9.10	18.76
Net Block as on 31/03/2021	7.80	-	25.28	33.08
Net Block as on 31/03/2022	5.81	-	17.02	22.82

3B. Right to Use Asset

Particulars	Land
Gross Block	
As on 31/03/2020	250.90
Additions	-
Disposals / Adjustments	6.13
As on 31/03/2021	257.03
Additions	-
Disposals / Adjustments	-
As on 31/03/2022	257.03
Accumulated Amortisation	
As on 31/03/2020	25.01
For the year 2020-21	25.68
Disposals / Adjustments	-
As on 31/03/2021	50.69
Additions	25.68
Disposals / Adjustments	-
As on 31/03/2022	76.37
Net Block as on 31/03/2021	206.34
Net Block as on 31/03/2022	180.66

(All Figures are Rupees in Lacs unless otherwise stated)

3C Capital Work In Progress/ Intangible Assets Under Development

Particulars	Capital Work In Progress			Intangible Assets Under Development	
	Building	Proj Exp Pending Allo	Plant and Equipment	Total	Software
As at 31st March 2020	2.79	-	63.81	66.60	2.07
Addition through Business combination	3.35	-	59.65	63.00	-
Additions	14.44	-	101.41	115.85	-
Capitalization	17.95	-	211.34	229.29	2.07
As at 31st March 2021	2.63	-	13.53	16.16	-
Additions	127.40	6.54	820.03	953.96	-
Capitalization	1.82	-	29.86	31.68	-
As at 31st March 2022	128.21	6.54	803.70	938.44	-

CWIP Ageing Schedule

As at March 31, 2022

CWIP for a period of

	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	934.23	-	934.23
1-2 years	4.21	-	4.21
2-3 years	-	-	-
More than 3 years	-	-	-
Total	938.44	-	938.44

As at March 31, 2021

CWIP for a period of

	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	16.16	-	16.16
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	16.16	-	16.16

Note : There are no cost or time overruns of CWIP and hence no disclosure for the same is made.

4 Financial Assets - Investments

A Summary of Non Current Investments

	As at 31/03/2022	As at 31/03/2021
Investment in Equity Instruments measured at Amortised Cost	-	-
Investment in Equity Instruments measured at Fair value through OCI	10.23	121.46
Investment in Equity Instruments measured at Fair value through PL	11.85	-
Total	22.08	121.46

(All Figures are Rupees in Lacs unless otherwise stated)

B	Details of Non-current Investments	Face Value per Equity Instrument (₹)	Number Of Equity Instruments		Amount	
			31/03/2022	31/03/2021	31/03/2022	31/03/2021
	Investments measured at fair value through OCI (fully paid)					
	Unquoted equity shares					
1	Mexin Medicaments. Pvt Ltd #	100	-	11,990	-	112.32
	Quoted equity shares					
1	Ipca Laboratories Ltd *	1	960	480	10.23	9.14
	Investments measured at fair value through P&L (fully paid)					
	Investment in Mutual Funds					
1	SBI Magnum Medium Duration Fund Growth Units Purchased 28771.928 NAV 41.1898	-	-	-	11.85	-
	Total				22.08	121.46
C	Aggregate value of investments					
	Particulars				31/03/2022	31/03/2021
	Aggregate amount of quoted investments				22.08	9.14
	Aggregate market value of quoted investments				22.08	9.14
	Aggregate amount of unquoted investments				-	112.32
D	Summary of Current Investments				As at 31/03/2022	As at 31/03/2021
	Investment in Equity Instruments measured at Fair value through PL					
	Investment in Mutual Funds					
	SBI Magnum Medium Duration Fund Growth				-	11.30
	Unit Purchase 28771.928 NAV 39.2730 (pur. value 10 lacs)					
	BARODA LARGE & MID CAP FUND				-	64.05
	Unit Purchase 49,99,65.02 NAV 12.8100 (Pur Value 50 Lacs)				-	75.35

Note :

The Company has sold 11,990 equity shares of Mexin Medicaments Pvt. Ltd. held as Investment at Fair Value through OCI during the year ended March 31, 2022. The aggregate of sale consideration net of acquisition cost and tax thereon of ₹ 55.54 lacs has been initially recognised under Other Comprehensive Income and subsequently reclassified under retained earning though Statement of Changes in Equity.

* During the Year, IPCA Laboratories Limited has sub-divided fully paid-up equity shares of ₹ 2 each into two fully paid equity shares of ₹ 1 each on 11th January, 2022. Accordingly, 480 fully paid-up equity shares of IPCA Laboratories Limited of ₹ 2 each held by the Company have been subdivided into 960 fully paid-up equity shares of ₹ 1 each.

(All Figures are Rupees in Lacs unless otherwise stated)

5 Financial Assets - Loans
Particulars

	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
(Unsecured, considered good)				
Inter Corporate Deposits	-	1,000.00	-	-
Loans given to Employees	0.24	0.87	-	0.02
Total	0.24	1,000.87	-	0.02

6 Financial Assets - Others
Particulars

	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
(Unsecured, considered good)				
Gratuity reimbursements and other claims receivable	-	4.99	-	3.32
Interest Receivable	-	4.63	-	0.65
Term Deposits with banks kept as margin money	-	1.27	1.20	-
Unbilled Revenue - Related Party *	-	-	-	104.17
Other Receivable				
-Related Parties #	-	5.10	-	-
-Others	-	65.79	52.13	70.65
Deposits	140.84	-	78.93	-
Total	140.84	81.78	132.26	178.79

Unbilled Revenue				
*Ipca Laboratories Ltd		-		104.17
Other Receivable Related Parties				
# Ipca Laboratories Ltd		5.10		-

7 Other Non-Financial Assets
Particulars

	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
(Unsecured, considered good)				
Capital Advances	72.80	-	0.81	-
Prepaid Expenses (Refer note below)	0.89	27.62	1.38	15.28
Balance with Tax Authorities	0.45	274.86	1.60	769.15
Advance to suppliers				
-Related Party*	-	242.35	-	-
-Other	-	46.06	-	29.74
Advances to Employees	-	8.94	-	6.09
Advances to Others	-	0.49	1.40	0.45
Prepaid Taxes (Net of provisions)	136.94	-	101.28	-
Other Receivables	-	1.18	-	-
Total	211.08	601.50	106.47	820.71

Note : Prepaid expenses (Current) includes ₹ 11.45 Lacs towards Rights Issue Preparatory Work which has since been closed and the amount will be adjusted against the share premium.

* Vista Organics Pvt. Ltd

(All Figures are Rupees in Lacs unless otherwise stated)

8 Inventories (Valued at Lower of Cost or Net Realisable Value)

Particulars	As at March 31, 2022	As at March 31, 2021	
Raw Materials and components	167.22	483.54	
Packing Materials and components	69.26	45.40	
Work-in-progress	200.27	374.02	
Finished goods:			
Manufactured	1,088.84	1,063.62	
Traded	780.79	688.42	
In transit	-	0.57	1,752.61
Consumable Stores and Spares	78.01	91.11	
Total	2,384.39	2,746.68	

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	
Amount of inventories recognised as an expense	5,386.33	3,018.19	
Amount of write - down of inventories recognised as an expense	-	-	
Total	5,386.33	3,018.19	

9 Financial Assets - Trade Receivables (Unsecured, at amortised cost)

Particulars	As at March 31, 2022	As at March 31, 2021	
Considered good :	1,357.78	1,661.02	
Which have significant increase in credit risk	-	0.17	
Credit impaired	-	-	
	1,357.78	1,661.19	
Less : Expected credit loss allowance	(2.31)	(0.39)	
Total	1,355.47	1,660.80	

The Holding Company calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivables are not disclosed.

The Component uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

Movement in the expected credit loss allowance

Particulars	As at March 31, 2022	As at March 31, 2021	
Balance at the beginning of the period	0.39	1.78	
Addition on Business Combination	-	0.17	
Adjustment during the year	1.92	(1.56)	
Provision at the end of the period	2.31	0.39	

(All Figures are Rupees in Lacs unless otherwise stated)

As at March 31, 2022

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	1,068.10	-	-	1,068.10
less than 6 months	289.68	-	-	289.68
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	-	-
Total	1,357.78	-	-	1,357.78

As at March 31, 2021

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	1,242.52	-	-	1,242.52
less than 6 months	417.84	-	-	417.84
6 months - 1 year	-	-	-	-
1-2 year	0.66	-	-	0.66
2-3 year	-	-	-	-
> 3 years	-	0.17	-	0.17
Total	1,661.02	0.17	-	1,661.19

10 Financial Assets - Cash & Cash Equivalents

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Balances with banks	229.47	76.22
Cash on hand	1.38	1.10
Fixed Deposits with original maturity of less than three months	-	450.00
Total	<u>230.85</u>	<u>527.32</u>

11 Financial Assets - Bank Balances other than (10) above

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Unpaid dividend accounts	31.00	26.46
In Fixed Deposits		
- Margin Money*	20.20	67.75
- Other Deposits	585.00	-
Total	<u>636.20</u>	<u>94.21</u>

Note: There are no amounts to be transferred to Investor Education and Protection Fund as on date

*(Under Lien towards margin of Letter of Credit and Bank Guarantees)

(All Figures are Rupees in Lacs unless otherwise stated)

12 Equity Share Capital Particulars

	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Face Value per share (₹)		10.00		10.00
Class of Shares				
Authorised Capital	75,00,000	750.00	75,00,000	750.00
Issued, Subscribed and Paid up Capital				
Issued & Subscribed	49,16,980	491.70	49,16,980	491.70
Paid up	49,16,980	491.70	49,16,980	491.70
Total		491.70		491.70

Disclosures:

i) Reconciliation of Shares Particulars

	As at March 31, 2022		As at March 31, 2021	
	Numbers	Amount	Numbers	Amount
Shares outstanding at the beginning of the year	49,16,980	491.70	49,16,980	491.70
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	49,16,980	491.70	49,16,980	491.70

ii) Details of Shareholding in excess of 5% Name of Shareholder

	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	%	Number of shares held	%
Kaygee Laboratories Private Limited	6,50,000	0.13	6,50,000	0.13
Kaygee Investments Private Limited	8,54,400	0.17	8,54,400	0.17
Paschim Chemicals Private Limited	7,66,672	0.16	7,66,672	0.16

iii) Rights and obligations of shareholders

The Group has only one class of share referred as Equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend is recommended by management which is subject to shareholder's approval at the General Meeting.

iv) Shareholding of Promoters

Shares held by promoters as at March 31, 2022

Sr no	Promoter name	Shares held by promoters at the end of the year 31.03.2022		Shares held by promoters at the end of the year 31.03.2021		% of change during the year
		No of shares	% of total shares	No of shares	% of total shares	
1	Kaygee Investments Pvt Ltd	8,54,400	17.38	8,54,400	17.38	-
2	Paschim Chemicals Pvt Ltd	7,66,672	15.59	7,66,672	15.59	-
3	Kaygee Laboratories Pvt Ltd	6,50,000	13.22	6,50,000	13.22	-
4	Mexin Medicaments Pvt Ltd	1,41,180	2.87	1,41,180	2.87	-
5	Chandurkar Investments Pvt Ltd	64,800	1.32	64,800	1.32	-
6	Premchand Godha	97,520	1.98	97,520	1.98	-
7	Prashant Godha	94,375	1.92	94,375	1.92	-
8	Nirmal Jain	73,600	1.50	73,600	1.50	-
9	Usha Godha	44,000	0.89	44,000	0.89	-
10	Usha Chandurkar	33,000	0.67	33,000	0.67	-
11	Bhawna Godha	32,400	0.66	32,400	0.66	-
12	Sameer Chandurkar	18,000	0.37	18,000	0.37	-
	Total	28,69,947	58.37	28,69,947	58.37	

Note: The percentage shareholding above has been computed considering outstanding number of shares as at year end

(All Figures are Rupees in Lacs unless otherwise stated)

13 Other Equity

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Capital Reserve	302.76	-	302.76	-
Capital Reserve on Bargain Purchase	322.70	-	322.70	-
Securities Premium	108.64	-	108.64	-
General Reserve	1,200.00	-	1,200.00	-
Retained Earnings	3,529.92	-	2,994.24	-
Other Comprehensive Reserve	-	-	-	-
- Remeasurement of Investment through FVOCI	-	2.32	-	(7.17)
Total	5,466.34	-	4,921.17	-

a) Security Premium Reserve:

Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

b) General Reserve :

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

c) Capital Reserve on Bargain Purchase:

Capital Reserve on Bargain Purchase represents the excess of the fair value of Assets less Liabilities over the purchase consideration in accordance with Ind AS 103

14 Financial Liabilities - Borrowings

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Term Loan - Yes bank	268.68	284.16	552.84	245.28
Less : Reclassified to Current Maturities	-	(284.16)	-	(245.28)
Total	268.68	-	552.84	-
Secured Borrowing	268.68	-	552.84	-
Unsecured Borrowing	-	-	-	-

a) Details of Term Loan

Name of the Instruments/ Institutions

	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Term Loan From Yes Bank	268.68	284.16	552.84	245.28
	268.68	284.16	552.84	245.28

i) The term loan is for a period of 60 months. The term loan is repayable in 16 quarterly instalments beginning from February 29, 2020.

ii) The New term loan taken during the previous year is for a period of 48 months. The term loan is repayable in 36 monthly instalments beginning from November 10, 2021

b) Details of securities and repayment terms of secured loans stated above

i) Secured by way of exclusive charge on plant and machinery located at new ophthalmic products manufacturing facility at Naroda, Ahmedabad. Equitable mortgage on the plot no. 30/4, Phase III GIDC, Naroda, Ahmedabad.

ii) The new term loan - Secured by way of 100% Credit Guarantee by National Credit Guarantee Trust Companies Limited (NCGTC) and Extension of Charge on present & Current Assets of the Company and Fixed assets charged for YBL Term Loan taken earlier.

(All Figures are Rupees in Lacs unless otherwise stated)

c) Maturity Profile of Borrowings is as per the original sanction terms.

Particulars	31/3/2022	31/3/2021
Instalment payable between 0 to 1 years	284.16	245.28
Instalment payable between 1 to 2 years	268.68	513.95
Instalment payable between 2 to 5 years	-	38.89
Instalment payable beyond 5 years	-	-
Total	552.84	798.12

d) Utilisation of borrowings taken from banks

The Group had during the previous year utilised the borrowing taken from bank for the specific purpose for which it was taken.

e) Changes in liabilities arising out of financing activities

Particulars	As at March 31, 2022		
	Non-Current Borrowings	Current Maturities	Current Borrowings
Opening Balances	552.84	245.28	632.31
Changes from Financing Cash Flows	-	(245.28)	534.59
Effect of changes in foreign currency	-	-	-
Transfer to Current Maturities	(284.16)	284.16	-
Closing Balances	268.68	284.16	1,166.90

Particulars	As at March 31, 2021		
	Non-Current Borrowings	Current Maturities	Current Borrowings
Opening Balances	598.12	217.50	313.92
Changes from Financing Cash Flows	200.00	(217.50)	318.39
Effect of changes in foreign currency	-	-	-
Transfer to Current Maturities	(245.28)	245.28	-
Closing Balances	552.84	245.28	632.31

15 Other Financial Liabilities

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non-Current	Current	Non-Current	Current
Security Deposits from				
-Dealers	-	352.69	-	385.05
-Others	-	5.95	-	5.98
-Related Party	-	1.55	-	0.55
Unpaid dividends	-	8.85	-	26.46
Payable for Capital Goods	-	184.96	-	4.69
Interest accrued				
-Related Party #	-	5.51	-	-
-Others	-	8.81	-	11.64
Payable to Employees	-	63.61	-	109.01
Total	-	631.93	-	543.38
# Ipca Laboratories Ltd				

(All Figures are Rupees in Lacs unless otherwise stated)

16 Provisions
Particulars

	As at March 31, 2022		As at March 31, 2021	
	Non Current	Current	Non Current	Current
Provision for breakage/damage	-	0.02	-	0.02
Provision for product expiry	-	30.40	-	19.77
Provision for sales return	-	85.90	-	73.02
Provision for expense	-	32.25	-	-
Provision for Gratuity	8.86	10.53	16.16	43.38
Provision for leave encashment	34.19	12.34	21.96	8.27
Provision for leave travel assistance (LTA)	-	10.39	-	6.96
Provision for Tax (Net of prepaid)	-	40.96	-	56.09
Provision for Bonus	-	14.48	-	6.93
Total	43.05	237.27	38.12	214.44

The disclosure of provisions movement as required by Ind AS 37 is as follows:-

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Provision for breakage/damage		
Balance at the beginning of the period	0.02	0.01
Provisions/ Reversal during the year.	-	0.01
Utilisations during the period	-	-
Provision at the end of the period	0.02	0.02
(ii) Provision for product expiry		
Balance at the beginning of the period	19.77	0.01
Provisions/ Reversal during the year.	10.63	19.76
Utilisations during the period	-	-
Provision at the end of the period	30.40	19.77
(iii) Provision for sales return		
Balance at the beginning of the period	73.02	91.39
Provisions/ Reversal during the year.	12.88	(18.37)
Utilisations during the period	-	-
Provision at the end of the period	85.90	73.02

(iv) Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules,2015.

Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(All Figures are Rupees in Lacs unless otherwise stated)

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

Particulars	As at March 31, 2022	As at March 31, 2021
Expense recognised in Statement of Profit & Loss		
Current Service cost	10.48	11.30
Interest expense	5.63	6.38
Expected Return on Plan Assets	(3.32)	(3.20)
Benefit paid but pending claim	-	-
Past Service cost	-	-
Total	12.79	14.47
Expense recognised in Other Comprehensive Income		
Return on plan assets (Greater)/Less than Discount Rate	(3.48)	(1.57)
Actuarial (Gain)/Loss due to Experience on DBO	8.33	7.66
Total	4.85	6.09
Present value of funded defined benefit obligation	134.22	119.64
Fair value of Plan assets	(114.83)	(60.10)
Funded Status	19.39	59.54
Net defined benefit (Asset) / Liability	19.39	59.54
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	119.64	87.12
Liability raised due to acquisition through business combination	-	44.01
Current Service Cost	10.48	11.30
Interest Cost	5.63	6.38
Actuarial (Gain)/Loss	8.33	7.66
Benefits paid	(9.86)	(36.83)
Past Service Cost	-	-
Present value of defined benefit obligation at the end of the year	134.22	119.64
Movements in fair value of the plan assets are as follows		
Opening fair value of plan assets	60.10	54.27
Adjustment to opening fair value	-	-
Expected returns on Plan Assets	3.32	3.20
Remeasurement Gains/(Losses):	-	-
Actuarial Gain/(Loss) on Plan assets	3.48	1.57
Contribution from Employer	57.55	7.11
Benefits paid	-	-
Fund Charges	-	-
Benefit paid but pending claim	(9.62)	(6.05)
Closing fair value of the plan asset	114.83	60.10
Remeasurement effect recognised on Other Comprehensive Income		
Actuarial (Gain)/Loss arising from experience adjustments	8.33	7.66
Actuarial (Gain)/Loss on Plan assets	(3.48)	(1.57)
Total Actuarial (Gain)/Loss included in OCI	4.85	6.09

(All Figures are Rupees in Lacs unless otherwise stated)

The principal assumptions used as at the balance sheet date are used for purpose of actuarial valuations were as follow:

(v) Financial Assumptions

Discount Rate	5.99%	5.52%
Salary Increase Rate	6.00%	6.00%

(vi) Demographic Assumptions

Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal Rate	25%	25%
Retirement age	58 Years	58 Years

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

(vii) Defined Benefit Obligation

Discount rate

a. Discount rate - 50 basis points	136.75	121.82
b. Discount rate + 50 basis points	131.82	117.65

Salary increase rate

a. Rate - 50 basis points	131.81	117.65
b. Rate + 50 basis points	136.73	121.81

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would clear in isolation of one another as some of the assumptions may be correlated.

Further more, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(viii) Risk Characteristics of the Defined Benefit Plan

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow

- (i) Investment Risk** – For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
- (ii) Market Risk (Discount Rate)** – Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(All Figures are Rupees in Lacs unless otherwise stated)

(iii) **Longevity Risk** : The impact of longevity risk will depend on whether the benefits are paid before retirement age or after . Typically for the benefits paid on or before the retirement age , the longevity risk is not very material.

(iv) **Actuarial Risk**

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation , will result in increase to the Obligation at a rate that is higher than expected

Attrition / Withdrawal Assumption: If actual withdrawal rates are higher than assumed withdrawal rate assumption ,than the benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

17 Deferred Tax Liabilities (Net)

<u>Particulars</u>	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
(a) Deferred tax liabilities on account of				
PPE including ROU Assets and R & D Assets	227.26		225.91	
Fair Value changes on Business Combination	619.43		629.18	
Fair Value Change of Investment through PL	0.14		3.86	
Fair Value Change of Investment through OCI	0.85	847.68		858.96
(b) Deferred tax asset on account of				
Fair Value Change of Investment through OCI	-		(3.75)	
Compensated Advances	(11.71)		-	
Carried forward losses	(11.41)		(7.61)	
Other tax disallowance	(7.47)	(30.59)	(8.82)	(20.18)
Net deferred tax liability		817.09		838.77

18 Other Non-financial Liabilities

<u>Particulars</u>	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>	<u>Current</u>
Advance from Customers				
-Related Party *	-	300.00	-	-
-Others	-	46.58	-	66.94
Duties & Taxes Payable	-	60.95	-	22.91
Other Payables	-	6.01	-	6.05
Total	-	413.54	-	95.90
* Ipca Laboratories Ltd				

19 Short Term Borrowings

<u>Particulars</u>	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>	<u>Current</u>
Current Maturities of long term loans	-	284.16	-	245.29
Working Capital Loan from Yes bank	-	276.90	-	382.30
Intercorporate Deposit	-	-	-	-
-Related Party *	-	640.00	-	-
-Others	-	250.00	-	250.00
Total	-	1,451.06	-	877.59
* Ipca Laboratories Ltd				
Secured Borrowing	-	561.06	-	627.59
Unsecured Borrowing	-	890.00	-	250.00

(All Figures are Rupees in Lacs unless otherwise stated)

Holding Company

- Secured Borrowing - Exclusive charge on present and future current asset of the Company and Negative Lien on immovable fixed assets of the company for their registered office located at 54-D, Kandivali Industrial Estate, Charkop, Kandivali (W), Mumbai, Maharashtra.
- Unsecured Borrowing - Intercompany deposit is for short term, as a bridge loan pending receipt of right issue proceeds repayable before March 31, 2023.
- The rate of interest on short term borrowings ranges between 8% and 9%.
- Disclosure for borrowings from banks or financial institutions on the basis of security of current assets - Refer Statement 2

The Company has a sanctioned working capital facilities from bank for ₹ 500.00 Lacs. The details of statement filed is given in Statement 2. The Company has been advised by its bankers to exclude stocks maintained with the Consignee Sales Distributors (CSDs). These stocks form part of the Company's inventory as per books. It is for this reason that there is a difference in the Company's inventory as per its books and the stock statements submitted to its bank. The company is also not availing any drawing power against these stocks.

Subsidiary Company

- In Previous Year Cash Credit Facility - Borrowing from Bank is secured by hypothecation of present and future stock of raw material, stock in process and Finished goods and book debts of the company, and further secured by first charge by way of equitable mortgage of land and building, plant and machineries and all immovable properties of the company situated at T 140 MIDC Tarapur, Dist-Thane and further guaranteed by Managing Director of the company and is repayable on demand.

20 Financial Liabilities - Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables for goods and services:		
- Total outstanding dues of Micro and small enterprise	153.87	363.12
- Others	368.83	1,089.77
Total	522.70	1,452.89

(a) As at March 31, 2022

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	90.08	-
Not Due	153.87	-	229.29	-
Less than 1 year	-	-	49.38	-
1-2 years	-	-	-	-
2-3 year	-	-	0.08	-
> 3 years	-	-	-	-
Total	153.87	-	368.83	-

(b) As at March 31, 2021

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	94.69	-
Not Due	353.31	-	552.02	-
Less than 1 year	9.81	-	437.10	-
1-2 years	-	-	0.19	-
2-3 year	-	-	5.33	-
> 3 years	-	-	0.45	-
Total	363.12	-	1,089.77	-

(All Figures are Rupees in Lacs unless otherwise stated)

21 Revenue from Operations

Particulars	2021-22	2020-21
Sale of Products	11,713.45	5,934.25
Sale of services	942.59	893.84
Other operating revenues		
Export Incentives	-	25.89
Sundry Creditors Balances written back	4.46	8.32
Miscellaneous income	2.09	1.81
Total	12,662.59	6,864.11

A Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

(a) Disclosure relating to disaggregation of revenue in terms of Ind AS 115	2021-22	2020-21
Sale of Generic formulations	4,291.79	3,537.17
Sale of Chemicals	7,421.66	2,397.07
Sale of Services	942.59	893.84

(b) There is one party which individually accounts for more than 10% of sales of the group in current year and previous year. Aggregate revenue from this party is ₹ 1307.59 Lacs and ₹ 1072.03 lacs respectively.

Movement of Contract Balances

a) Advance from Customers	2021-22	2020-21
Opening Balance	66.94	10.85
Addition during the year	300.75	1.09
Billed/Received during the Year	(21.11)	55.00
Closing Balance	346.58	66.94
a) Unbilled Revenue	-	104.17

22 Other Income

Particulars	2021-22	2020-21
Interest income	74.39	10.95
Interest income on financial asset on EIR basis	0.60	0.54
Dividend income - from investments	0.04	0.04
Profit on sale of property, plant & equipment	0.27	0.26
Rent Income	14.68	16.41
Profit on Sale of Non Current Investment	-	17.10
Profit on Sale of MF	6.82	-
Reversal of provision for Expected Credit Loss	-	1.56
Foreign Exchange Gain	43.11	33.41
Net gain on financial asset through FVTPL	0.55	15.35
Interest on ICD	-	-
MEIS Application Income	96.48	-
Export Benefit/Duty Drawback	57.58	-
Miscellaneous Income	23.49	-
Total	318.01	95.62

(All Figures are Rupees in Lacs unless otherwise stated)

23 Cost of Materials Consumed

Particulars	2021-22		2020-21	
Raw Materials Consumed				
Opening stock	483.54		150.03	
Additions through Business combination	-		143.43	
Add : Purchases (Net of discount)	2,425.17		1,480.17	
	<u>2,908.71</u>		<u>1,773.63</u>	
Less : Closing stock	167.22	2,741.49	483.54	1,290.09
Packing Materials Consumed				
Opening stock	45.40		59.63	
Additions through Business combination	-		10.79	
Add : Purchases (Net of discount)	252.25		132.55	
	<u>297.65</u>		<u>202.97</u>	
Less : Closing stock	69.26	228.39	45.40	157.57
Total		<u>2,969.88</u>		<u>1,447.66</u>

24 Purchases of Traded Goods

Particulars	2021-22		2020-21	
Formulations	2,185.39		1,584.75	
Others	36.09		60.07	
Total	<u>2,221.48</u>		<u>1,644.82</u>	

25 Changes in inventories of Finished Goods(FG), Work-in-progress(WIP) and Traded Goods

Particulars	2021-22		2020-21	
Inventory Adjustments - WIP				
Stock at commencement	374.02		42.51	
Additions through Business combination	-		349.99	
Less: - Stock at closing	200.26	173.76	374.02	18.48
Inventory Adjustments - FG				
Stock at commencement	1,063.62		149.05	
Additions through Business combination	-		752.67	
Less : Stock at closing	1,088.84	(25.22)	1,063.62	(161.90)
Inventory Adjustments - FG In transit				
Stock at commencement	0.57		-	
Less : Stock at closing	-	0.57	0.57	(0.57)
Inventory Adjustments - Traded Goods				
Stock at commencement	688.42		655.93	
Less : Stock at closing	780.79	(92.37)	688.42	(32.49)
Total		<u>56.74</u>		<u>(176.48)</u>

(All Figures are Rupees in Lacs unless otherwise stated)

26 Employee Benefits Expenses

<u>Particulars</u>	<u>2021-22</u>	<u>2020-21</u>
Salaries , bonus , perquisites , etc.	1,125.53	763.60
Contribution to provident and other funds	56.93	53.23
Leave encashment	28.41	13.59
Leave travel assistance	6.82	6.16
Gratuity fund contributions	12.79	14.48
Staff welfare expenses	20.23	19.32
Recruitment & training	0.35	0.16
Total	<u>1,251.06</u>	<u>870.54</u>

27 Finance Cost

<u>Particulars</u>	<u>2021-22</u>	<u>2020-21</u>
Interest on loan	118.48	108.96
Unwinding of Financial Liabilities	24.00	25.10
Interest on Dealer's Deposit	21.11	22.16
Interest to MSME Creditors	4.26	2.77
Bank Charges	5.41	3.54
Interest on Income Tax	-	12.57
Total	<u>173.26</u>	<u>175.10</u>

28 Depreciation & Amortisation

<u>Particulars</u>	<u>2021-22</u>	<u>2020-21</u>
Depreciation on tangible assets	365.81	432.72
Amortisation on intangible assets	10.86	2.67
Depreciation on Right of Use Assets	25.68	25.68
Total	<u>402.35</u>	<u>461.07</u>

In order to align the depreciation of the entire group to straight line method (SLM), the Group has changed the method of depreciation of assets which were hitherto depreciated on written down value method to SLM. On account of this change, being in the nature of estimates , the depreciation for the year is lower by ₹ 110.72 lacs and the profit for the year is higher by ₹ 110.72 Lacs

29 Other Expenses

<u>Particulars</u>	<u>2021-22</u>	<u>2020-21</u>
Commission & Distribution Charges	265.48	187.48
Outside manufacturing charges	2,025.77	664.64
Power and fuel	859.98	551.48
Consumption of stores and spares	138.23	102.20
Freight, forwarding and transportation	255.27	119.88
Field staff expenses	67.68	57.11
Repairs and maintenance	124.43	86.98
Water charges	18.12	3.28
Loss on sale of property, plant & equipment	5.44	-
Assets scrapped	16.14	-
Sales and marketing expenses	65.47	45.55
Brand Recall Expenses - Domestic Marketing	5.21	4.58
Product information catalogue	0.07	0.81
Laboratory expenses and analytical Charges	67.91	55.39
Expenditure on research & development	52.71	23.83
Rent	27.43	31.04

(All Figures are Rupees in Lacs unless otherwise stated)

Rates and taxes	51.48	40.23
Travelling expenses	19.34	8.83
Professional charges	67.22	53.59
Printing and stationery	11.17	16.75
Books, subscription and software	1.38	1.52
GST expenses	33.39	6.70
Communication expenses	14.61	14.60
Insurance	33.56	19.46
Intellectual property right expenses	6.99	3.52
Remuneration to Auditors	9.95	8.50
Remuneration to Component Auditors	6.50	1.00
Bank charges	0.46	1.13
Bad debts and other balance w/off	6.13	98.14
Security Charges	27.12	24.73
Donation	1.05	-
Director Sitting Fee	7.05	-
CSR Expenses	17.25	-
Effluent Treatment & Desludging Charges	9.45	-
Miscellaneous expenses (none of which individually forms more than 1% of the operating revenue)	18.31	33.60
Total	<u>4,337.75</u>	<u>2,266.55</u>

Details of:

1 Repairs and Maintenance:

- Building	18.43	9.90
- Machinery	101.08	63.34
- Others	4.91	13.74
	<u>124.43</u>	<u>86.98</u>

2 Remuneration To Auditors:

- Audit fees including Limited Review and Tax Audit	8.35	7.90
- Tax matters	1.60	0.50
- Other services and Out of pocket expenses	-	0.10
	<u>9.95</u>	<u>8.50</u>

i) Total expenditure on R & D is included in respective heads of accounts as under:

Particulars	<u>2021-22</u>	<u>2020-21</u>
Employee benefits expenses	1.16	2.85
Laboratory Expenses	52.71	23.83
Depreciation	4.91	14.17
Total	<u>58.78</u>	<u>40.85</u>

(All Figures are Rupees in Lacs unless otherwise stated)

30 Tax Expense- Profit and Loss Account

Particulars	2021-22	2020-21
Current Tax	441.26	136.75
Short / Excess Provision of earlier years	(20.51)	22.78
Deferred Tax	(23.65)	(23.92)
Total	397.10	135.61

31 Tax Expense- Other Comprehensive Income

Particulars	2021-22	2020-21
Current Tax	-	144.84
Short / Excess Provision of earlier years	6.57	-
Deferred Tax	1.97	(90.97)
Total	8.54	53.87

(i) Reconciliation of current rate of tax and effective rate of tax:

Particulars	2021-22	2020-21
Profit/ (Loss) before Income taxes	1,568.83	270.47
Enacted tax rates in India (%)	25.17%	25.17%
Enacted tax rates in India on Capital Gains (%)	17.16%	17.16%
Computed expected tax expenses	394.87	68.08
Effect of non- deductible expenses	119.65	135.92
Effect of deductible expenses	(114.77)	(110.63)
MAT Credit Adjusted	-	2.50
Tax effect for Loss within group companies	22.94	37.51
Carry forward / (Set off) of losses	11.41	-
Tax on Capital Gains at FVTPL	3.40	-
Others	3.76	3.37
Income tax expenses - Net	441.26	136.75

Tax on OCI

Actuarial changes	4.85	(6.09)
Enacted tax rates in India (%)	25.17%	25.17%
Computed expected tax expenses	1.22	(0.50)
Capital Gain	35.97	1,985.85
Enacted tax rates in India (%)	11.44%	11.44%
Computed expected tax expenses	4.11	227.15
Exemption under tax laws	(19.82)	(56.59)
Set off of losses and other deductions	15.71	(26.05)
Tax effect for Loss within group companies	(1.23)	-
Others	-	0.33
Income tax expenses - Net	-	144.84

(All Figures are Rupees in Lacs unless otherwise stated)

(ii) Reconciliation of Deferred Tax of Profit and Loss account and Other Comprehensive Income

Deferred tax (assets) / liabilities in relation to statement of profit and loss:

<u>Particulars</u>	<u>Opening March</u>	<u>Recognized in P & L</u>	<u>Recognized in OCI</u>	<u>Closing March</u>
Depreciation including on ROU, R&D Assets, Amortisation and impairment	296.39	(70.48)	-	225.91
Fair Value change on Business Combination	632.03	(2.85)	-	629.18
Compensated Absences	(7.60)	(0.01)	-	(7.61)
	(13.59)	4.78	-	(8.82)
Unabsorbed Tax Loss	(40.77)	40.77	-	-
Fair Value Changes of Investment held through PL		3.86	-	3.86
Fair Value Changes of Investment held through OCI	87.22	-	(90.97)	(3.75)
As at March 31, 2021	953.68	(23.93)	(90.97)	838.77
Depreciation including on ROU, R&D Assets, Amortisation and impairment	225.91	1.35	-	227.26
Fair Value change on Business Combination	629.18	(9.75)	-	619.43
Compensated Absences	(7.61)	(4.10)	-	(11.71)
Other tax disallowance	(8.82)	3.98	(2.63)	(7.47)
Unabsorbed Tax Loss	-	(11.41)	-	(11.41)
	3.86	(3.72)	-	0.14
Fair Value Changes of Investment held through OCI	(3.75)	-	4.60	0.85
As at March 31, 2022	838.77	(23.65)	1.97	817.09

32 Disclosure as required by Accounting Standard – IND AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules 2015.

The earning per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding for basic & diluted EPS.

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Profit/ (Loss) after tax	497.84	(32.92)
Closing equity shares outstanding (Nos.)	49,16,980	49,16,980
Opening equity shares outstanding (Nos.)	49,16,980	49,16,980
Add:- issued during the year (Nos.)	-	-
Closing equity shares outstanding (Nos.)	49,16,980	49,16,980
Weighted avg no. of shares outstanding (Nos.) (Basic)	49,16,980	49,16,980
Weighted avg no. of shares outstanding (Nos.) (Diluted)	49,16,980	49,16,980
Nominal value of equity share (₹)	10.00	10.00
Basic EPS (₹)	10.12	(0.67)
Diluted EPS (₹)	10.12	(0.67)

(All Figures are Rupees in Lacs unless otherwise stated)

33 Disclosure in accordance with Ind AS – 116 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015.

i) The following is the carrying value of lease liability:

Particulars	2021-22	2020-21
Opening Liability	229.05	235.86
Additions during the year	-	-
Finance cost accrued during the year	23.58	24.39
Deletions	-	-
Payment of lease liabilities	(32.63)	(31.20)
Balance	220.00	229.05

Breakup:	2021-22	2020-21
Current portion of Lease liability	25.51	9.04
Non Current portion of Lease liability	194.49	220.01
	220.00	229.05

ii) Amounts recognised in the statement of cash flows

Particulars	2021-22	2020-21
Total cash outflow for leases	32.63	31.20

iii) The details of the contractual maturities of lease liabilities:

Particulars	2021-22	2020-21
Less than one year	45.99	32.63
One to five years	210.52	212.78
More than five years	61.49	105.22
Total	318.00	350.63

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

34 Disclosure as required by IND AS 108 “Operating Segment”, of the Companies (Indian Accounting Standards) Rules, 2015.

There is one party which individually account for more that 10% of sales of the group in current year and previous year. Aggregate revenue from these parties is ₹ 1307.59 Lacs and ₹ 1072.03 Lacs respectively.

The disclosure for Segment Reporting is made on the information reviewed by the “Chief Operating Decision Maker (CODM)”, or which are otherwise regularly provided to the CODM.

Pursuant to acquisition of Resonance Specialties Limited (Resonance), the group has two reportable segments viz. “Pharmaceutical” (Makers) and “ Chemical Manufacturing” (Resonance) as per Indian Accounting Standard “Operating Segment (Ind AS- 108). Segment information is given here in below:

Particulars	2021-22		
	Pharma- ceutical	Chemical Manufac- turing	Total
Revenue from External Customers	5,240.93	7,421.66	12,662.59
Other Income	29.19	288.82	318.01
Total Revenue	5,270.12	7,710.48	12,980.60

(All Figures are Rupees in Lacs unless otherwise stated)

Interest Expenses	167.43	5.83	173.26
Depreciation and Amortisation	190.70	211.65	402.35
Other Expenses	4,936.18	5,900.73	10,836.91
Total Expenses	5,294.31	6,118.21	11,412.52

Extraordinary item	-	0.75	0.75
Segment Results - PBT	(24.19)	1,593.02	1,568.83
Tax	14.14	382.96	397.10
Segment Results - PAT	(38.33)	1,210.06	1,171.73

Segment Assets	6,303.75	8,129.55	14,433.30
Segment Liabilities	3,519.58	1,104.49	4,624.07

Particulars	2020-21		
	Pharma- ceutical	Chemical Manufac- turing	Total
Revenue from External Customers	4,431.01	2,397.08	6,828.09
Other Income	49.91	81.73	131.64
Total Revenue	4,480.92	2,478.81	6,959.73
Interest Expenses	158.80	16.29	175.09
Depreciation and Amortisation	430.89	30.19	461.08
Other Expenses	4,110.80	1,942.29	6,053.09
Total Expenses	4,700.49	1,988.77	6,689.26
Segment Results - PBT	(219.57)	490.04	270.47
Tax	(48.59)	184.20	135.61
Segment Results - PAT	(170.98)	305.84	134.86
Segment Assets	5,666.18	7,953.09	13,619.27
Segment Liabilities	9,318.91	4,300.36	13,619.27

35 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

A) List of related parties Relationships

(i) Entities having significant influence Shareholders of Makers Laboratories Ltd

Kaygee Investments Pvt.Ltd. Promoter holding together with its subsidiary more than 20%

(ii) Key Management Personnel

Mr. Saahil Parikh	Wholetime Director
Ms. Dipti Shah	Independent Director
Mr. R K P Verma	Independent Director
Mr. P M Kathariya	Independent Director (Upto 29th September 2020)
Mr. Nilesh Jain	Wholetime Director
Mr. Prashant Godha	Additional Director (w.e.f November 4, 2020)
Mr. Vishal Jain	Additional Director (w.e.f November 4, 2020)

(All Figures are Rupees in Lacs unless otherwise stated)

(iii) Entities in which promoters have significant influence

Ipca Laboratories Ltd.

Vista Organics Pvt. Ltd.

Step-down Subsidiary of Kaygee Investments Pvt. Ltd.

(iv) Other Related parties

Relative of Key Management Personnel

Mr. Umesh Parikh

B) Details of related party transaction are given in statement 1 Attached to the financial statement.

36 Exceptional Items

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Insurance Claim received	3.69	-
Loss by Cyclone	(2.94)	-
Total	0.75	-

37 Contingent Liabilities and Commitments

A) Contingent Liabilities

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Guarantees given by the bank on behalf of the Group to Government Authorities and Others	21.27	21.20
Other moneys for which the Group is contingently liable for tax and other matters not accepted by the Group	196.14	150.80
Claims against the Group not acknowledged as debts	38.61	38.61
Demand raised by MPCB disputed by the Group	355.97	173.77
Total	611.99	384.37

B) Commitments

<u>Particulars</u>	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
	<u>₹ In Lacs</u>	<u>₹ In Lacs</u>
(a) Estimated amount of contracts remaining to be executed on capital account.(Net of Capital Advances)		
- Tangible Assets	197.97	11.55
(b) Outstanding Letter of Credit	-	-
	197.97	11.55

38 Business combination

The Company in the previous year, acquired 52,50,000 Equity shares of ₹ 10 each of Resonance Specialties Limited (Resonance) on September 30, 2020, which represents 45.48% of voting rights for a total cash consideration of ₹ 2,244.41 Lacs. The open offer process under SEBI (SAST) Regulations was completed on December 10, 2020. The Company has de-facto control over Resonance in accordance with Ind AS 110 - Consolidated Financial Statements under the Companies (Indian Accounting Standards) Rules 2015. Accordingly, the Company has consolidated the results of Resonance from December 11, 2020, as a subsidiary.

Resonance Specialties Ltd is a company engaged in business of manufacturing and marketing of Pyridine, Picolines, Cynopyridines drug intermediates and active pharmaceutical ingredient (API's) with its manufacturing unit situated in Tarapur, Boisar, Dist . Palghar (Maharashtra)

(All Figures are Rupees in Lacs unless otherwise stated)

The Disclosures required under Ind AS 103 are given here under:

Particulars	Disclosure
Name and Description of Acquiree	Resonance Specialties Ltd is a company engaged in business of manufacturing and marketing of Pyridine, Picolines, Cynopyridines drug intermediates and active pharmaceutical ingredient (API's) with its manufacturing unit situated in Tarapur, Boisar, Dist . Palghar (Maharashtra)
Acquisition Date	December 11, 2020
Percentage of voting interest acquired.	45.48%
Primary reason for business acquisition	The acquisition of controlling shareholding in Resonance Specialties Limited will enable the parent company to enter into speciality chemicals and API businesses which will complement the parent's existing generic formulations business.
Qualitative reasons for Good will acquired	No Goodwill has been acquired as the aforesaid acquisition resulted in a gain / bargain purchase of ₹ 322.70 Lac
Acquisition date fair value of consideration transferred	₹ 2,241.41 Lac
Contingent Consideration	Nil
Acquired Receivables	All the acquired receivables are fully collectible and there are no amount which is not expected to be not collected
Acquisition date fair value of major assets and liabilities	PPE - ₹ 4,117.03 Lac Non Current Assets ₹ 499.15 Lac Current Assets ₹ 2,999.20 Lac Non-Current Liabilities ₹ 829.94 Lac * Current Liabilities ₹ 1,140.96 Lac * Includes ₹ 632.03 Lac of deferred tax liability that has been created on the difference between fair value of assets acquired and their book value in the books of acquiree.
Amount of Goodwill expected to be tax deductible	There is no Goodwill in the business purchase
Amount recognised on Bargain Purchase	₹ 322.70 Lac is recognised in other equity as Capital Reserve in Bargain Purchase in accordance with para 34.
Non-Controlling Interest Disclosure	The Company has recognised ₹ 3,077.37 Lac as NCI on acquisition date on the basis of the Fair value of assets and liabilities acquired. The same was done on the basis of valuer who determined the fair value of PPE. The management assessed the other assets and liabilities as being equal to the value at which they were carried on acquisition date.
Amount of Revenue and Profit recognised in the Consolidated Profit and Loss	Revenue - ₹ 2,478.79 Lac Profit and Loss - ₹ 306.24 Lac (after OCI)

(All Figures are Rupees in Lacs unless otherwise stated)

39 Disclosure of Interest in Other entities as per Ind AS 112

Consolidated financial statements comprises the financial statements of Makers Laboratories Limited and its subsidiary Resonance Specialties Limited

The following table summarises the information relating to the subsidiary that has NCI. The amounts disclosed for each subsidiary are before intra-group eliminations.

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current assets	1,521.62	1,679.07
Current assets	4,155.73	3,784.05
Non-current liabilities	164.26	187.11
Current liabilities	332.76	1,208.73
Net assets	5,180.33	4,067.28
Net assets attributable to NCI	2,824.32	2,217.48
Revenue	7,710.58	2,478.79
Profit for the year	1,235.98	304.90
Profit/(Loss) allocated to NCI	673.89	167.78
Other comprehensive income	(7.50)	(1.50)
OCI allocated to NCI	(4.09)	(0.82)
Cash flow from operating activities - Refer note hereunder	1,332.58	-
Cash flow from investing activities - Refer note hereunder	(880.02)	-
Cash flow from financing activities - Refer note hereunder	(186.18)	-
Net increase/ (decrease) in cash and cash equivalents - Refer note hereunder	266.38	-
Share of NCI	145.23	-

Note: Since the CFS was prepared for the first time in the previous year consequent to business acquisition, the Cash flow statement for the previous year under the indirect method could not be prepared in the absence of the opening Balance Sheet. Therefore comparative figures for the previous year are not presented.

Note: All the figures have been taken from Standalone Financial Statements of the component.

40 Financial Instruments

The carrying value and fair value of financial instruments by categories is as follows:

Particulars	Carrying Value		Fair Value	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Financial Assets				
Amortised Cost				
Loans	1,001.11	0.02	1,001.11	0.02
Others	222.62	311.05	222.62	311.05
Trade receivables	1,355.47	1,660.80	1,355.47	1,660.80
Cash and cash equivalents	867.05	621.53	867.05	621.53
FVTPL				
Mutual Fund	11.85	75.35	11.85	75.35
FVTOCI				
Equity Instruments	10.23	121.46	10.23	121.46
Total Financial Assets	3,468.33	2,790.21	3,468.33	2,790.21
Financial Liabilities				
Amortised Cost				
Borrowings	1,719.74	1,430.43	1,719.74	1,430.43
Trade payables	522.70	1,452.89	522.70	1,452.89
Others	631.93	543.38	631.93	543.38
Lease Liability	220.00	229.05	220.00	229.05
Total Financial Liabilities	3,094.37	3,655.75	3,094.37	3,655.75

(All Figures are Rupees in Lacs unless otherwise stated)

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, cash credit and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

41 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

<u>Particulars</u>	<u>Date of Valuation</u>	<u>Quoted prices in active markets (Level 1)</u>	<u>Significant observable inputs (Level 2)</u>	<u>Significant unobservable inputs (Level 3)</u>	<u>Total</u>
Financial assets measured at fair value through P&L					
Listed Equity Investments	31/03/2022	11.85	-	-	11.85
		<u>11.85</u>	<u>-</u>	<u>-</u>	<u>11.85</u>
Financial assets measured at fair value through OCI					
Listed Equity Investments	31/03/2022	10.23	-	-	10.23
Unlisted Equity Investments	31/03/2022	-	-	-	-
		<u>10.23</u>	<u>-</u>	<u>-</u>	<u>10.23</u>
Financial assets measured at Amortised Cost					
Listed Equity Investments	31/03/2022	-	-	-	-
Loans	31/03/2022	-	-	1,001.11	1,001.11
Others	31/03/2022	-	-	222.62	222.62
Trade receivables	31/03/2022	-	-	1,355.47	1,355.47
Cash and cash equivalents	31/03/2022	-	-	867.05	867.05
		<u>-</u>	<u>-</u>	<u>3,446.25</u>	<u>3,446.25</u>
Total Financial Assets		<u>22.08</u>	<u>-</u>	<u>3,446.25</u>	<u>3,468.33</u>
Financial Liabilities measured at Amortised Cost					
Borrowings	31/03/2022	-	-	1,719.74	1,719.74
Lease Liability	31/03/2022	-	-	522.70	522.70
Trade Payable	31/03/2022	-	-	631.93	631.93
Other Financial Liability	31/03/2022	-	-	220.00	220.00
		<u>-</u>	<u>-</u>	<u>3,094.37</u>	<u>3,094.37</u>
Total Financial Liabilities		<u>-</u>	<u>-</u>	<u>3,094.37</u>	<u>3,094.37</u>

(All Figures are Rupees in Lacs unless otherwise stated)

Financial assets measured at fair value through P&L

Listed Equity Investments	31/03/2021	75.35	-	-	75.35
		<u>75.35</u>	<u>-</u>	<u>-</u>	<u>75.35</u>

Financial assets measured at fair value through OCI

Listed Equity Investments	31/03/2021	121.46	-	-	121.46
Unlisted Equity Investments	31/03/2021	-	-	-	-
		<u>121.46</u>	<u>-</u>	<u>-</u>	<u>121.46</u>

Financial assets measured at Amortised Cost

Listed Equity Investments	31/03/2021	-	-	-	-
Loans	31/03/2021	-	-	0.02	0.02
Others	31/03/2021	-	-	311.05	311.05
Trade receivables	31/03/2021	-	-	1,660.80	1,660.80
Cash and cash equivalents	31/03/2021	-	-	621.53	621.53
		<u>-</u>	<u>-</u>	<u>2,593.40</u>	<u>2,593.40</u>
Total Financial Assets		<u>196.81</u>	<u>-</u>	<u>2,593.40</u>	<u>2,790.21</u>

Financial Liabilities measured at Amortised Cost

Borrowings	31/03/2021	-	-	1,430.43	1,430.43
Lease Liability	31/03/2021	-	-	1,452.89	1,452.89
Trade Payable	31/03/2021	-	-	543.38	543.38
Other Financial Liabilities	31/03/2021	-	-	229.05	229.05
		<u>-</u>	<u>-</u>	<u>3,655.75</u>	<u>3,655.75</u>
Total Financial Liabilities		<u>-</u>	<u>-</u>	<u>3,655.75</u>	<u>3,655.75</u>

42 Financial Risk Factors

The Group's business activities are exposed to a variety of financial risks: Market/Business risk, credit risk, Exchange risk, etc. The Group's focus is to foresee the unpredictability of financial and business risks and seek to minimize potential adverse effects of these risks on its business and financial performance.

(i) Business/Market Risk

The primary business/market risk to the Group is the price risk on account of the drug pricing regime in the country. The Indian generic formulations market is currently in the growth phase. It is expected that use of generic formulations will gradually increase in India. However, cut throat competition, quality issues of generics manufactured in the country and non existence of organised generic formulations distribution and retailing system are a cause of concern and is hampering the growth of generic formulations market.

(ii) Credit Risk

The Group has exposure to credit risks associated with sales to various Customers. To mitigate these credit risks arising out of this, the Group on a regular basis evaluates the credit risk associated with a customer. Customer where no credit insurance is available, the Group monitors such risk by continuously monitoring its exposure to such customer. Based on the historical data, the Group has made adequate provisions for expected loss because of credit risk, which is neither significant nor material.

43 Capital Management

For the purpose of the Group's capital management, capital includes paid-up equity share capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholders' value.

(All Figures are Rupees in Lacs unless otherwise stated)

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares. The Group monitors capital using a gearing ratio, which is net debt divided by its total capital. The Group includes within its net debt the cash credit facilities, trade, lease and other payables less cash and cash equivalents.

Particulars	31/03/2022	31/03/2021
Borrowings	1,719.74	1,430.43
Less: Cash and Cash Equivalents	(230.85)	(527.32)
Net debt	1,488.89	903.11
Total Equity Capital and net debt	5,958.04	5,412.87
Gearing Ratio	24.99%	16.68%

No changes were made in the objectives, policies or processes for managing the capital during the years ended March 31, 2022 and March 31, 2021.

44 Disclosure as per Schedule III of Companies Act, 2013

Particulars	2021-22		
	Parent	Subsidiary	Total
Net Assets i.e. Total Assets minus Total Liabilities			
Amount	5,309.99	648.05	5,958.04
As % of consolidated Net assets	89.12	10.88	100.00
Share in Profit or (loss)			
Amount	(67.31)	565.15	497.84
As % of consolidated Profit or (Loss)	(13.52)	113.52	100.00
Share in Other Comprehensive Income			
Amount	50.74	(3.41)	47.33
As % of consolidated OCI Profit or (Loss)	107.20	(7.20)	100.00
Share in Total Comprehensive Income			
Amount	(16.57)	561.74	545.17
As % of consolidated Total OCI Profit or (Loss)	(3.04)	103.04	100.00

Particulars	2020-21		
	Parent	Subsidiary	Total
Net Assets i.e. Total Assets minus Total Liabilities			
Amount	5,276.36	136.49	5,412.85
As % of consolidated Net assets	97.48	2.52	100.00
Share in Profit or (loss)			
Amount	(172.51)	139.59	(32.92)
As % of consolidated Profit or (Loss)	(523.99)	423.99	(100.00)
Share in Other Comprehensive Income			
Amount	661.83	(0.67)	661.16
As % of consolidated OCI Profit or (Loss)	100.10	(0.10)	100.00
Share in Total Comprehensive Income			
Amount	489.32	138.92	628.24
As % of consolidated Total OCI Profit or (Loss)	77.89	22.11	100.00

(All Figures are Rupees in Lacs unless otherwise stated)

- 45** Figures of Statement of Profit and Loss for the previous year is for the period from 10th December 2020 to 31st March,2021 . Hence current year profit and loss account figures are not strictly comparable with previous year figures.
- 46** Figures for the previous year have been regrouped to conform to the requirements of Schedule III.
- 47** The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Group for the year ended March 31,2022.

**As per our report of even date attached
For Natvarlal Vepari & Co.**

Chartered Accountants
Firm Registration No. 106971W

N. Jayendran

Partner
M.No. 40441
Mumbai May 27, 2022

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director & CEO

Nilesh Jain
(DIN 05263110)
Wholetime Director

Rinku Kholakiya
(ACS 63175)
Company Secretary

Sandeep Kadam
CFO

(All Figures are Rupees in Lacs unless otherwise stated)

Statement 1

Related Party Disclosure as required by Indian Accounting Standard – IND AS 24 “Related Party Transactions” of the Companies (Accounting Standards) Rule 2015.

Transactions with Related Parties

Description	Key Management Personnel		Entities in which promoters have significant influence		Other Related Parties		Total	
	Mar 22	Mar 21	Mar 22	Mar 21	Mar 22	Mar 21	Mar 22	Mar 21
Purchase of goods and services								
Ipca Laboratories Ltd	-	-	85.80	131.03	-	-	85.80	131.03
Vista Organics Pvt Ltd	-	-	1,960.58	1,716.97	-	-	1,960.58	1,716.97
TOTAL	-	-	2,046.38	1,848.00	-	-	2,046.38	1,848.00
Purchase of assets								
Ipca Laboratories Ltd	-	-	0.67	-	-	-	0.67	-
TOTAL	-	-	0.67	-	-	-	0.67	-
Sales of goods and services								
Ipca Laboratories Ltd	-	-	1,307.59	1,011.10	-	-	1,307.59	1,011.10
TOTAL	-	-	1,307.59	1,011.10	-	-	1,307.59	1,011.10
Sale of Capital Assets								
Vista Organics Pvt Ltd	-	-	49.93	-	-	-	49.93	-
TOTAL	-	-	49.93	-	-	-	49.93	-
Other income reimbursements								
Ipca Laboratories Ltd	-	-	10.00	-	-	-	10.00	-
TOTAL	-	-	10.00	-	-	-	10.00	-
Sale of quoted Shares thru block deal mechanism of SE								
Kaygee Investments Pvt.Ltd.	-	-	-	2,086.81	-	-	-	2,086.81
TOTAL	-	-	-	2,086.81	-	-	-	2,086.81
Sale of Shares								
Kaygee Investments Pvt.Ltd.	-	-	167.86	-	-	-	167.86	-
TOTAL	-	-	167.86	-	-	-	167.86	-
Dividend Income :								
Ipca Laboratories Ltd	-	-	0.04	0.04	-	-	0.04	0.04
TOTAL	-	-	0.04	0.04	-	-	0.04	0.04
Other expenses paid:								
Ipca Laboratories Ltd	-	-	2.63	0.85	-	-	2.63	0.85
TOTAL	-	-	2.63	0.85	-	-	2.63	0.85
Interest Received								
Vista Organics Pvt Ltd	-	-	7.20	-	-	-	7.20	-
TOTAL	-	-	7.20	-	-	-	7.20	-
Advance received								
Ipca Laboratories Ltd	-	-	300.00	-	-	-	300.00	-
TOTAL	-	-	300.00	-	-	-	300.00	-
ICD received								
Ipca Laboratories Ltd	-	-	640.00	-	-	-	640.00	-
TOTAL	-	-	640.00	-	-	-	640.00	-
ICD interest paid								
Ipca Laboratories Ltd	-	-	6.13	-	-	-	6.13	-
TOTAL	-	-	6.13	-	-	-	6.13	-
Remuneration to Directors								
Mr. Saahil Parikh	49.60	46.61	-	-	-	-	49.60	46.61
Mr. Nilesh Jain	27.09	25.97	-	-	-	-	27.09	25.97
TOTAL	76.69	72.58	-	-	-	-	76.69	72.58
Provident Fund								
Mr. Saahil Parikh	3.94	3.63	-	-	-	-	3.94	3.63
Mr. Nilesh Jain	2.39	2.19	-	-	-	-	2.39	2.19
TOTAL	6.33	5.82	-	-	-	-	6.33	5.82
Sitting Fee to Non-executive Directors								
Mrs. Dipti Shah	1.45	1.90	-	-	-	-	1.45	1.90
Mr. R K P Verma	3.70	2.92	-	-	-	-	3.70	2.92
Mr. P M Kathariya	-	0.95	-	-	-	-	-	0.95
Mr. Prashant Godha	2.25	1.17	-	-	-	-	2.25	1.17
Mr. Vishal Jain	1.95	0.60	-	-	-	-	1.95	0.60
TOTAL	9.35	7.54	-	-	-	-	9.35	7.54
Salaries Paid								
Umesh Parikh	-	-	-	-	23.88	16.65	23.88	16.65
TOTAL	-	-	-	-	23.88	16.65	23.88	16.65
Closing Balances of Related Parties								
Balance at year end								
Advances Against Supplies								
Vista Organics Pvt Ltd	-	-	242.35	-	-	-	242.35	-
TOTAL	-	-	242.35	-	-	-	242.35	-
Receivables								
Ipca Laboratories Ltd	-	-	74.11	138.23	-	-	74.11	138.23
TOTAL	-	-	74.11	138.23	-	-	74.11	138.23
Payables								
Ipca Laboratories Ltd	-	-	958.25	25.95	-	-	958.25	25.95
Vista Organics Pvt Ltd	-	-	-	179.00	-	-	-	179.00
TOTAL	-	-	958.25	204.95	-	-	958.25	204.95

(All Figures are Rupees in Lacs unless otherwise stated)

Statement - 2

Details of Returns Submitted to the lenders 2021-22

Sr No	Month	Name of the lender	Facility	Sanctioned Amount	As per Books		As Submitted to the lenders		Difference		Reason for Difference
					Stock	Book debts	Stock	Book debts	Stock	Book debts	
1	Jun-21	YES BANK LTD	CASH CREDIT	500.00	1,143.93	677.13	935.61	666.10	208.33	11.03	The difference is due to Stock in the books valued net of GST and including stock lying with Consignee Sale Distributors (CSDs).
2	Sep-21	YES BANK LTD	CASH CREDIT	500.00	1,077.61	865.21	903.26	858.71	174.35	6.50	
3	Dec-21	YES BANK LTD	CASH CREDIT	500.00	1,126.29	694.78	986.11	683.03	140.17	11.75	
4	Mar-22	YES BANK LTD	CASH CREDIT	500.00	1,128.38	542.85	981.45	537.77	146.92	5.08	

Details of Returns Submitted to the lenders 2020-21

Sr No	Month	Name of the lender	Facility	Sanctioned Amount	As per Books		As Submitted to the lenders		Difference		Reason for Difference
					Stock	Book debts	Stock	Book debts	Stock	Book debts	
1	Jun-20	YES BANK LTD	CASH CREDIT	500.00	1,048.64	688.65	857.88	677.63	190.77	11.03	The difference is due to Stock in the books valued net of GST and including stock lying with Consignee Sale Distributors (CSDs).
2	Sep-20	YES BANK LTD	CASH CREDIT	500.00	975.86	733.12	710.92	730.97	264.94	2.15	
3	Dec-20	YES BANK LTD	CASH CREDIT	500.00	877.50	652.20	741.21	640.45	136.30	11.76	
4	Mar-21	YES BANK LTD	CASH CREDIT	500.00	923.95	727.92	713.70	717.03	210.24	10.89	

(All Figures are Rupees in Lacs unless otherwise stated)

Form AOC-I

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

Sr. No	Name of Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments	Total Income/ Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
1	Resonance Specialities Ltd.	INR	1,154.40	4,025.93	5,677.35	497.02	11.85	7,710.58	1,628.72	392.74	1,235.98	1.00	45.48%

- 1) Financials reporting period of all subsidiaries is 31st March.
- 2) The Company own 45.48% interest in the above subsidiary

For and on behalf of the Board of Directors

Saahil Parikh
(DIN 00400079)
Wholetime Director & CEO

Nilesh Jain
(DIN 05263110)
Wholetime Director

Prashant Godha
(DIN 00012759)
Additional Director

Rinku Kholakiya
(ACS-63175)
Company Secretary

Sandeep Kadam
CFO

Mumbai
27th May, 2022



Makers Laboratories Limited

Registered Office:

54-D, Kandivli Industrial Estate,
Charkop, Kandivli (West),
Mumbai - 400 067.

CIN : L24230MH1984PLC033389

Ph : 022 - 2868 8544

Email : investors@makerslabs.com

Website : www.makerslabs.com