THEMIS MEDICARE

09th September, 2021

Listing Department
BSE Limited,
P. J. Towers, Dalal Street
Mumbai-400001

Listing Department,
National Stock Exchange of India Ltd
"Exchange Plaza",
Bandra – Kurla Complex,
Bandra – East, Mumbai- 400 051

Dear Sir/Madam,

Sub: Corrigendum to the Annual Report for FY 2020-21

Ref: Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is in furtherance to our letter dated 25th August, 2021, wherein the Company had submitted its Annual Report along with the Notice of the 51st AGM to be held on Saturday, 18th September, 2021 at 12.00 Noon (IST) via Video Conference / Other Audio Visual Means and other Statutory Reports for Financial Year 2020-21

This is to inform you that certain inadvertent error was noticed in the Annual Report Financial Year 2021 after the same was dispatched on 25th August, 2021 through email.

In this regard, please note the following changes made to rectify the error on Page 29 of the Annual Report.

The following sentences which were appearing in para 3 under the heading "Financial Overview" in the Management Discussion & Analysis Section have been deleted:

Raw material expenditure increased due to change in business model. In the contract manufacturing model, the direct raw materials were supplied by the partner. After shift to the manufacture and sales model, the Company started procuring raw materials directly.

We are sending herewith the corrected Annual Report.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For THEMIS MEDICARE LIMITED

THEMIS MEDICARE LTD. MUMBAI

Sangameshwar Iyer
Company Secretary & Compliance Officer

THEMIS MEDICARE

QUALITY YOU CAN TRUST

Annual Report 2020 2021

Vision

To become the most admired research based pharmaceutical company with leadership in market share, research and profit by:

Including a high performance culture

Manufacturing the highest quality products

Being preferred in - sourcing partner for global pharmaceutical companies for research based unique products

Board of Directors

Shri. Hoshang N. Sinor
Chairman - Independent Director

Shri. Vijay G. Agarwal
Independent Director

Shri. Hariharan Subramaniam
Independent Director

Shri. Humayun Dhanrajgir
Independent Director

Shri. Rajneesh K. Anand
Non-Executive Director

Mr. Lajos Kovacs
Non-Executive Director
Representative of Foreign Collaborator

Dr. Gabor Gulacsi
Non-Executive Director
Representative of Foreign Collaborator

Ms. Jayshree D. Patel
Whole-Time Director

Ms. Reena S. Patel
Alternate Director to Dr. Gabor Gulacsi

Ms. Manjul Sandhu
Additional Independent Woman Director
(w.e.f. 11th November, 2020.

Dr. Sachin D. Patel
Managing Director & CEO

Dr. Dinesh S. Patel
Executive Vice Chairman

Shri. Sangameshwar Iyer
M.Com., ACS & LLB
Company Secretary

Shri. Tushar J. Dalal
ACA
Chief Financial officer

REGISTERED OFFICE
Plot No. 69A, G.I.D.C. Industrial Estate,
Vapi, Dist. Valsad, Gujarat - 396 195.
CIN: L24110GJ1969PLC001590

CORPORATE OFFICE
11/12 Udyog Nagar Industrial Estate, S. V. Road,
Goregaon (W), Mumbai - 400 104.

STATUTORY AUDITORS
M/s. R. P. Sardar & Co. (Chartered Accountants)

COST AUDITORS
M/s. B. J. D. Nanabhoy & Co. (Cost Accountants)

SECRETARIAL AUDITORS
M/s. SAV & Associates LLP (Practicing Company Secretaries)

REGISTRARS & SHARE TRANSFER AGENTS
Link Intime India Pvt. Ltd
C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai 400 083.
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

BANKERS
Union Bank of India
Bank of Baroda

Contents

Message from

Managing Director & CEO

Dear Stakeholders,

It gives me pleasure to address you once again by sharing my thoughts about your Company, its working, the Industry Scenario and the road ahead.

As you are all aware, due to the raging Covid 19 pandemic, it has been a very tumultuous year and all of us were affected by the disruptions that were brought along by it.

Like all pharma companies battling the same, your Company was no exception. After facing some difficulties initially, your Company was able to stabilize its operations.

It is heartening to note that despite the COVID-19 impact, the domestic pharma industry has grown between 4-6 per cent in FY-21 and is expected to have an 8-11 per cent compounded annual growth rate (CAGR) in the FY 2020-2023 period, mainly led by growth in the domestic market, as predicted by an ICRA research analysis.

The global demand scenario is largely expected to remain stable for Indian pharmaceutical industry owing to inelastic nature of prescription drugs, though some impact on volume growth will be felt owing to lockdown and lower economic growth. The impact of lower demand will be felt more in less developed countries.

The Government has been very supportive towards the pharma Industry and the following are some of the initiatives taken by it:

Government Initiatives

Some of the initiatives taken by the Government to promote the pharmaceutical sector in India are as follows:

- In September 2020, the government announced production linked incentive (PLI) scheme for the pharmaceutical industry worth Rs. 15,000 Crore (US$ 2.04 billion).
- India plans to set up a nearly Rs. 1 lakh Crore (US$ 1.3 billion) fund to provide boost to companies to manufacture pharmaceutical ingredients domestically by 2023.
- Under Budget 2020-21, Rs. 65,012 Crore (US$ 9.30 billion) has been allocated to the Ministry of Health and Family Welfare. The Government has allocated Rs. 34,115 Crore (US$ 4.88 billion) towards the National Health Mission under which rural and urban people will get benefited.
- Rs. 6,400 Crore (US$ 915.72 million) has been allocated to health insurance scheme Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (AB-PMJAY).
- Government of India has offered Rs. 6,940 Crore (US$ 942.8 million) production linked incentives between 5-20% for incremental sales and plans to set up three mega drug parks to drive sustainable cost competitiveness.

Road Ahead

Medicine spending in India is projected to grow 9 12% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending.

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers, which are on the rise.

The Indian Government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

Opportunities ahead:

The opportunities ahead as reported by EY-FICCI seem to be promising:

Key Highlights of the EY-FICCI report titled: 'Indian Pharmaceutical Industry 2021: future is now

The opportunities that have emerged to accelerate the growth of Indian pharmaceutical and healthcare industry are - innovation led research and development, healthcare delivery (R&D), manufacturing and supply chain, and market access.

1. **Accelerating research and innovation:**
   - There is a need to move up India's share of trade in value
   - To meet this objective, the industry must consider setting up an overarching regulatory body and a central body to streamline research infrastructure and financing from all government bodies, to explore new models for financing R&D to increase private investments and also make available funds for high risk and long-term projects, improve industry-academia collaboration and establish a strong innovation ecosystem.
2. **Achieving equitable and sustainable healthcare:**
   - The increased acceptability of digital technologies has the potential to improve healthcare delivery. This explores the progress towards achievement of universal healthcare access, establishing efficient processes like the use of Aadhar card to identify and simplify the delivery based on healthcare coverage category.
   - Enabling teleconsulting and focusing on preventive healthcare are some other areas for consideration with the role of the industry, government, healthcare sector and insurers carved out.
3. **Strengthening manufacturing and supply base in domestic and global markets:**
   - The focus of manufacturing and supply chain initiatives would be to develop capabilities in APIs and enable the manufacturing of complex generics. Ease of doing business is a critical enabler to set up world class manufacturing facilities.
   - The attractiveness of the manufacturing sector too needs to be enhanced in order to attract the best talent in India and abroad.
   - Given the growth ambitions, it is vital to encourage and setup pharma machine manufacturing facilities in India to lower fixed costs, enable savings in forex and reduce time to set up additional facilities.
   - There is also a need to bolster the logistics infrastructure for connecting the key pharma hubs in the country in order to facilitate quick and cost efficient movement of goods including cold chain facilities
4. **Improving access to medicines:**
   - The market access to prescription drugs needs to improve in the country
   - Various global best practices in drug pricing and procurement models can be contextualized for developing geographies Digital marketing of pharma products too must be considered

Performance of your company:

Coming to the performance of your Company, your Company has reported a better performance for the year 2020-21 as compared to 2019-20.

Performance 12 months 2020-21 Vs 2019-20

- Net Profit increased by Rs. 10.50 Cr. (66 %) (Rs. 26.30 Cr. Vs Rs. 15.8 Cr.)
- Profit before tax increased by Rs. 14 Cr. (78 %) (32 Cr. Vs Rs. 18 Cr.
- Total Income increased by Rs. 29 Cr. (Rs. 234 Cr. Vs Rs. 205 Cr.)

This has been possible because of your continued support and cooperation which I hope will continue in the years to come.

I would like to sign off by placing on record my gratitude towards our shareholders, creditors, Banks, Government and employees for their unstinted cooperation and support.

Yours sincerely,
SD/-
Dr. Sachin D. Patel
Managing Director & CEO

Notice to Members

NOTICE is hereby given that the 51st Annual General Meeting of the Members of **THEMIS MEDICARE LIMITED** will be held on **Saturday, 18th September 2021 at 12:00 Noon** through Video Conferencing ('VC")/ Other Audio Visual Means ("OAVM") to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2021, together with the Auditors' Report and Directors' Report thereon.

2. To appoint a Director in place of **Mr. Lajos Kovacs (DIN: 01297326)** who retires by rotation and being eligible, offers himself for re-appointment.

3. To declare dividend for the financial year ended 31st March, 2021.

SPECIAL BUSINESS:

4. **Ratification of Remuneration to Cost Auditor**

   To consider & if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment hereof, for the time being in force), remuneration of Rs. 2,69,000/- plus applicable taxes and reimbursement of out of pocket expenses (at actuals), as approved by the Board of Directors of the Company, payable to M/s. B.J.D. Nanabhoy & Co., Cost Accountants (Firm Registration No. 0011) Mumbai, conducting the cost audit of the cost accounts maintained by the Company in respect of bulk drugs and formulations for the financial year ended 31st March, 2022, be and is hereby ratified."

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this Resolution."

5. **To Appoint Ms. Manjul Sandhu (DIN: 00330363), as an Independent Director of the Company.**

   To consider & if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Manjul Sandhu (DIN : 00330363), who was appointed as an Additional Director by the Board of Directors with effect from 11th November, 2020 pursuant to provisions of Section 161 of the Act and who holds office upto the date of this Annual General Meeting but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a Notice in writing from a member under Section 160(1) of the Act proposing her candidature for the office of a Director, be and is hereby appointed as a Non-executive Independent Director of the Company, not liable to retire by rotation, to hold office upto 5 (five) consecutive years w.e.f. 11th November, 2020".

6. **Commission to Non-Executive Directors**

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

   "RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V thereof and any other applicable provisions of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, consent of the Company be and is hereby accorded for payment of commission to the Non-Executive Directors, including Independent Directors, of the Company (i.e., Directors other than the Managing Director and/or Whole Time Directors) to be determined by the Board of Directors for each of such Non-Executive Director for each financial year and distributed between such Directors in such a manner as the Board of Directors may from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company for that financial year w.e.f. 2020-21 computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard."

RESOLVED FURTHER THAT in the event of inadequacy of profits or no profits, the Non-Executive Directors, including Independent Directors shall be paid remuneration in accordance with the provisions of Schedule V of the Companies Act, 2013.

"**RESOLVED FURTHER THAT** the above remuneration shall be in addition to fees payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings."

7. To consider & if thought fit, to pass the following resolution as an **Ordinary Resolution** for increase in limit for related party transactions:

"**RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, governing the Related Party Transactions and such other rules as may be applicable and amended from time to time, consent of the shareholders of the Company be and is hereby accorded to the below mentioned arrangement/transaction (including transfer of resource, service or obligation) hitherto entered or to be entered into by the Company;

Related Party Transaction u/s 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*	**Carpo Medical Limited, UK.**
Nature of Relationship	A wholly owned subsidiary of the Company.
Name of Interested Directors(s) / KMP(s)	Dr. Sachin D. Patel is a Director of CARPO Medical Limited Mrs. Jayshree D. Patel (Whole-Time Director) Dr. Dinesh S. Patel (Executive Vice Chairman) Mrs. Reena S. Patel Alternate Director are relatives of Dr. Sachin D. Patel
Sale, purchase of goods or materials or supply of services @	**Upto Rs. 40 Crores**

Terms and Conditions:

*The approval sought for entering into related party transactions shall be valid till the limits stated above are utilized and shall be at arm's length.

@ At market value for each such transaction in compliance with applicable laws including Domestic Transfer Pricing Guidelines.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee of the Board constituted thereof be authorised to do all such acts, deeds, matters and things, etc. as may be necessary or desirable including any negotiation/ re-negotiation/ modification/ amendments to or termination thereof, of the subsisting arrangements/ transactions or any future arrangements/ transactions and to make or receive/ pay monies in terms of such arrangements/ transactions;

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded to the Board of Directors of the Company and/or a Committee thereof, to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related parties and authorise any person (s) to severally execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving full effect to this resolution, in the best interest of the Company."

By order of the Board of Directors

SD/-
Sangameshwar Iyer
Company Secretary & Compliance Officer
Membership No. A6818

Place : MUMBAI
Date : 13th August, 2021
Regd. Office : Plot no. 69-A, GIDC Industrial Estate,
Vapi-396 195, Dist. Valsad, (Gujarat).
CIN : L24110GJ1969PLC001590.

NOTES:

1. At the 47th AGM, M/s. R. P. Sardar & Co., Chartered Accountants (Firm Registration No. 109273W) were appointed as Statutory Auditors of the Company for a period of 5 years until the conclusion of the 52nd AGM of the Company. The ratification of their appointment pursuant to Section 139 of the Companies Act, 2013 is not required in terms of notification no. SO 1833(E) dated 7th May, 2018 issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of this AGM Notice.

   MCA has issued General Circular No. 02/2021 dated January 13, 2021 allowing the Companies whose AGMs become due in the year 2021 to conduct the AGMs in accordance with the requirements provided in the General Circular 20/2020. SEBI has also issued Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 extending the relaxations announced in their circular cited above, till December 31, 2021.

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 05th May 2020 read with circulars dated 08th April 2020 and 13th April 2020 (collectively referred to as "MCA Circulars") permitted the holding Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies, Act 2013 (the Act)

5. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.

6. Institutional/Corporate members Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution / Authorisation etc., authorising its representative to attend the Annual General Meeting through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution /Authorization shall be sent to the RTA by email at instameet@linkintime.co.in through their registered email address to with copies marked to the Company at cfoassist@themismedicare.com.

7. In terms of Section 152 of the Companies Act, 2013, Mr. Lajos Kovacs (DIN : 01297326), Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.

8. The details of the Directors seeking appointment / reappointment under item nos. 2 of this Notice, are provide in the annexure hereto in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings.

9. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto. The Board of Directors of the Company at its meeting held on 27th May,2021 considered that the special business from Item No 4,5,6 & 7 being considered unavoidable, be transacted at the 51st AGM of the Company.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
12. The Company has notified closure of Register of Members and Share Transfer Books from **Saturday, 11th September, 2021** to **Saturday 18th September, 2021** both days inclusive, for taking record of the Members of the Company for the purpose of AGM and determining the names of the Members eligible for payment of dividend on equity shares for the financial year 2020-21, if declared at the AGM.
13. Members are informed that there is no dividend amount remaining unclaimed and due for transfer on to the Investor Education and Protection Fund [IEPF] established by the Central Government in terms of the Companies Act, 2013.

    The Company has transferred the unpaid or unclaimed dividends declared up to financial year **2012-13**, from time to time, to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

    Pursuant to the provisions of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has already transferred all shares (in respect of which dividend has not been paid or claimed for seven consecutive years or more) to designated Demat Account of the IEPF Authority maintained with NSDL. Members who have so far not claimed or collected their dividends for the said period may claim their dividend and shares from the Investor Education and Protection Fund, by submitting an application in the prescribed form.
14. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Link Intime India Pvt. Ltd. (Company's Registrar & Share Transfer Agents) and complete their KYC formalities as mandated by law. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. **Friday, 10th September,2021** may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or rnt.helpdesk@linkintime.co.in
16. **Registration of email ID and Bank Account details:**

    In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, the log in details for e-voting are being sent on the registered email address.

    In case the shareholder has not registered his/her/their email address with the Company/its RTA/ Depositories and have not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

    a. **In case of Shares held in Physical Mode:**

       The Shareholder may send a request quoting its Folio No. to RTA by email at rnt.helpdesk@linkintime.co.in

    b. **In the case of Shares held in Demat mode:**

       The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 13, 2021 and January 15, 2021 respectively read with MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the 51st AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.themismedicare.com, websites of the Stock Exchanges i.e. BSE Limited and NSE Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL at www.evotingindia.com Members who have not registered their email address with the Company can register the same by following the procedure as mentioned above in point 16. Post successful registration of email address, the member will receive the soft copy of the Notice of AGM and Annual Report.

18. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Link Intime for assistance in this regard.

19. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made within 30 days of AGM i.e. on/after **18th September, 2021** as under: .

    a. To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories" whose names appear as beneficial owners as at the end of the business hours on Friday, **10th September, 2021**.

    b. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Friday, **10th September, 2021**.

    c. Dividend warrants / demand drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details, after normalization of the postal services.

20. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

21. **For Resident Shareholders:**

    Taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid PAN	10% or as notified by the Government of India
Members not having PAN /valid PAN	20% or as notified by the Government of India

No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during FY 2021 does not exceed 5,000 and also in cases where members provide valid Form 15G/ Form 15H as subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. Shareholder may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. PAN is mandatory for members providing Form 15G/15H or any other document as mentioned above.

For Non-resident shareholders:

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of such shareholders if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders need to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the shareholder
- Copy of Tax Residency Certificate (TRC) for the FY 2021 obtained from the revenue authorities of the country of tax residence, duly attested by shareholder
- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by shareholder.

Kindly note that the Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

In case of Foreign Institutional Investors/ Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforementioned documents are required to be submitted to Link Intime (India) Private Limited or the Company before Friday, **10th September, 2021**.

22. 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), the Company is providing facility of remote e-voting to its Members through CDSL e-voting system at www.evotingindia.com in respect of the business to be transacted at the AGM. The Company has engaged the services of Link Intime India Private Limited as the Agency to provide e-voting facility, for participation in the 51st AGM through VC/OAVM Facility and e-Voting during the 51st AGM.
23. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice
24. The Board of Directors of the Company has appointed Mr. Shirish Shetye(FCS 1926) , Partner of **M/s. SAV & Associates LLP, Practicing Company Secretaries,** Mumbai as Scrutinizer to scrutinize the remote e-voting and E-voting at meeting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
25. All correspondence relating to transmission of shares, change of address, dividend mandates etc. quoting their folio numbers should be sent to the Registrar & Transfer Agents (R&T Agents) only at their address: LINK INTIME INDIA PRIVATE LIMITED, C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083, Maharashtra, Tel: +91 22 49186200; Fax: +91 2224918619 Website: www.linkintime.co.in Email: rnt.helpdesk@linkintime.co.in

26. **Instructions Of Shareholders For Remote E-Voting As Under:**

(i) The voting period begins on **Tuesday, 14th September, 2021 at 9:00 am** and ends on **Friday, 17th September, 2021 at 5:00 pm** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 10th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

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

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

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

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below**:

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

	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available in www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	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 company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not 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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
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

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

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

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

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> (Themis Medicare Limited) on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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

a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cfoassist@themismedicare.com,if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

27. **Procedure for attending the Fifty First AGM Through VC / OAVM:**

The Company is pleased to provide its members, the facility to attend the 51^{st} Annual General Meeting THROUGH VC / OAVM. For this purpose, the Company has availed the INSTAMEET and INSTAVOTE services of Link Intime India Private Limited for facilitating its members to participate at the AGM and cast their votes electronically.

Facility for joining the Annual General Meeting through VC/OAVM shall open 30 (Thirty) minutes before the time scheduled for the Annual General Meeting. The login window for joining AGM shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.

Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Members with 2% or more shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to join the meeting without restrictions of first come- first serve basis.

Members will be able to attend the AGM through VC / OAVM by following the procedure given below:

Open the internet browser and launch the URL: https://instameet.linkintime.co.in

- Select the "**Company**" and '**Event Date**' and register with your following details: -

  A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

  - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
  - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

  B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

  C. **Mobile No.:** Enter your mobile number.

  D. **Email ID:** Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

  Members can log in and join 30 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time.

  The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders' relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

  Instructions for Shareholders/Members to Speak during the AGM through InstaMeet:

  1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
  2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
  3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
  4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
  5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

     Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

28. **Instructions for Shareholders to Vote during the AGM through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a. Please download and install the Webex application by clicking on the link **https://www.webex.com/downloads.html/**

or

b. If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	**Enter your First Name, Last Name and Email ID and click on Join Now.**
1 (A)	**If you have already installed the Webex application on your device, join the meeting by clicking on Join Now**
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or **Run a temporary application**. Click on **Run a temporary application**, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

29. Shareholders present at the AGM through InstaMeet facility and who have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting from 12 Noon (IST) till the expiry of 15 minutes after the AGM is over. Shareholders who have voted through remote e-voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

30. The shareholders can also access the Annual Report 2020-21 circulated to the Members of the Company and other information about the Company on Company's website i.e. www.themismedicare.com or on Stock Exchange websites i.e. www.bseindia.com. and www.nseindia.com.

By order of the Board of Directors

SD/-
Sangameshwar Iyer
Company Secretary & Compliance Officer
Membership No. A6818

Place : MUMBAI
Date : 13th August, 2021
Regd. Office : Plot no. 69-A, GIDC Industrial Estate,
Vapi-396 195, Dist. Valsad, (Gujarat).
CIN : L24110GJ1969PLC001590.

Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4:

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on 27th May, 2021, the Board has, considered and approved the appointment of M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai as the Cost Auditor for the financial year 2021-22 at a remuneration of Rs. 2,69,000/- per annum (plus applicable taxes) and reimbursement of out of pocket expenses, if any, in connection with the Cost Audit.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution.

The Directors recommend the above resolution for passing by the shareholders.

Item No. 5:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Ms. Manjul Sandhu (DIN 00330363) as an Additional Director with effect from 11th November, 2020 under Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company. Ms. Manjul Sandhu holds office upto the date of this Annual General Meeting.

The Company has received a Notice from member in writing under Section 160 of the Act, proposing candidature of Ms. Manjul Sandhu for the office of Director.

Ms. Manjul Sandhu is a B.com Graduate and has passed the Intermediate examination of the Chartered Accountancy course. She is well known as Business Woman and has more than 20 years experience in Business field. Besides, she has a good knowledge of Finance, Accounts and Audit. Given her knowledge and experience, her appointment will add value to the Company.

Ms. Manjul Sandhu is on the Board of two Private Limited Companies. She does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

Ms. Manjul Sandhu has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. She is independent of the management of the Company.

In the opinion of the Board, Ms. Manjul Sandhu fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for her appointment as a Non-Executive Independent Director of the Company.

The Board recommends the resolution in relation to appointment of Ms. Manjul Sandhu as a Non-Executive Independent Director to hold office up to 5 (five) consecutive years w.e.f 11th November, 2020, for the approval by the members of the Company.

Except Ms. Manjul Sandhu, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice.

Item No. 6:

As per the provisions of Section 197 the Companies Act, 2013 read with Schedule V thereof and the SEBI LODR, there needs to be in place a Special Resolution passed by the shareholders to enable a company to pay commission to its non-Executive Directors

The Board of Directors, on the recommendation of Nomination and Remuneration Committee considered it desirable that the Company causes an enabling shareholders' resolution to be passed in this regard so that it can pay commission to its Non-Executive directors as and when it decides to pay the same.

Accordingly the Board hereby recommends to the shareholders passing of necessary Special Resolution for the payment of commission to the Non-Executive Directors including Independent Directors.

The above commission shall be in addition to fees payable to the Director(s) for attending meetings of the Board/Committees or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings.

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

None of the Directors, Key Managerial Personnel or their respective relatives, are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice, except the Non-executive and Independent Directors.

Item No. 7:

Pursuant to provisions of Section 188(1) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said Section requires a Company to obtain prior approval of the Board of Directors and subsequently the Shareholders of the Company by way of an Ordinary Resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15(3) of the said Rules. Further, as required under Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material related party transactions other than as specified under Regulation 23 (5) of the said Regulations shall require approval of the shareholders through an Ordinary Resolution.

The Company, in the ordinary course of its business, regularly does the transactions with its related parties including that mentioned in the Notice on an arm's length basis. On basis of the same, the Company hereby proposes to seek shareholders' approval for the said transactions which can be material by way of an Ordinary Resolution under Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to enable the Company to enter into Related Party Transactions in one or more tranches. The particulars of the Related Party Transaction(s), which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Related Party Transaction u/s 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. *	**Carpo Medical Limited. UK**
Nature of Relationship	A e wholly owned subsidiary of the Company
Name of Interested Directors(s) / KMP(s)	Dr. Sachin D. Patel is a Director of CARPO Medical Limited Mrs. Jayshree D. Patel (Whole-Time Director) Dr. Dinesh S. Patel (Executive Vice Chairman) Mrs. Reena S. Patel Alternate Director are relatives of Dr. Sachin D.Patel
Sale, purchase of goods or materials or supply of services @	**Upto Rs. 40 Crores**

Terms and Conditions:

*The approval sought for entering into related party transactions shall be valid till the limits stated above are utilized and shall be at arm's length.

@ At market value for each such transaction in compliance with applicable laws including Domestic and International Transfer Pricing Guidelines.

Except for the Director(s) and Key Managerial Personnel whose names are mentioned hereinabove and their relatives none of the other Directors and/or any Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in this resolution.

Although CARPO Medical Limited (CARPO) is a wholly owned subsidiary of the Company, this resolution is being proposed by way of abundant caution in the event CARPO ceases to be a wholly owned subsidiary of the Company.

Your Directors recommend the resolution set out at Item no. 7 to be passed as an Ordinary Resolution by the members.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

By order of the Board of Directors

SD/-
Sangameshwar Iyer
Company Secretary & Compliance Officer
Membership No. A6818

Place	: MUMBAI
Date	: 13th August, 2021
Regd. Office	: Plot no. 69-A, GIDC Industrial Estate, Vapi-396 195, Dist. Valsad, (Gujarat).
CIN	: L24110GJ1969PLC001590.

Annexure to Items 2 of the Notice

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting

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

Name of the Director	**Mr. Lajos Kovacs**	**Ms. Manjul Sandhu**
Date of Birth	30/08/1960	09/06/1965
Nationality	Hungary	Indian
Date of Appointment on the Board	26/03/1997	11/ 11/2020
Qualifications	Chemical Engineer	B.Com Graduate
Expertise in specific functional Area	R & D Management & over 37 years of industrial Manufacturing	20 years experience in Business field
Number of shares held in the Company	Nil	Nil
List of the directorships held in other companies	Richter Themis Medicare (India) Pvt. Ltd.	1. Meatrix Foods Private Ld. 2. Asma Services and Resources Private Limited.
Number of Board Meetings attended during the year	2	2
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	NIL	NIL
Relationships between Directors inter-se	NIL	NIL
Remuneration details	None	As regards remuneration; she is entitled to sitting fees. During the FY2020-21 she received sitting fees of Rs. 80,000/-

* Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether listed or not).

Directors' Report

The Members,

Themis Medicare Limited

Your Directors take pleasure in presenting the 51st Annual Report along with the Audited Financial Statements for the financial year ended 31st March, 2021. The Company operates only in one business segment viz., "Pharmaceuticals" and this report covers its Pharmaceutical business performance.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS:

The Company's performance during the year ended 31st March,2021 as compared to the previous financial year, is summarized below:

(Rs. in lakhs)

Particulars	31st Mar, 2021	31st Mar, 2020
Income	23,429.19	20,505.95
Less: Expenses	20,204.36	18,705.45
Profit/(Loss) before tax	3,224.83	1800.50
Deferred tax	562.78	209.30
Profit after Tax	2,662.05	1,591.20

b. OPERATIONS:

The Company continues to be engaged in the activities pertaining to manufacturing of pharmaceutical products, especially in Formulation and API activity.

There was no change in nature of the business of the Company, during the year under review.

c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

As on the last day of the financial year, the Company had two non material subsidiaries namely, Artemis Biotech Limited and Themis Lifestyle Private Limited and one overseas subsidiary in UK namely, Carpo Medical Limited. (UK)

The performance and financial position of each of the Subsidiaries, Associates and Joint venture for the year ended 31st March 2021 in Form AOC-1 is attached and marked as **Annexure I** and forms part of this Report.

d. DIVIDEND:

Your Directors are pleased to recommend dividend of Rs. 4.30 per equity share having face value of Rs. 10/- each on 91,88,454 Equity shares, aggregating to Rs. 395.10 Lakhs. The dividend, if declared at the AGM, would be paid/ dispatched within thirty days from the date of declaration of dividend to those Members/ Beneficial holders as on Book Closure date fixed for the said purpose:

e. TRANSFER TO RESERVES:

Your Board has not recommended transfer of any amount of profit to reserves during the year under review. The Company has not transferred any amount to reserves and not withdrawn any amount from the reserves.

f. REVISION OF FINANCIAL STATEMENT:

There was no revision of the financial statements for the year under review.

g. DEPOSITS:

Except for unclaimed deposits of Rs.1.00 Lakh, the Company does not have outstanding deposits from public.

Your Company has not accepted any deposits falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

h. DISCLOSURES UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

i. STATEMENT ON DECLARATION UNDER SECTION 149(6) OF THE COMPANIES ACT , 2013:

The Independent Directors of the Company have given the declaration and confirmation to the Company as required under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

j. **STATEMENT UNDER SECTION 178:**

Your Company has Constituted Nomination and Remuneration Committee as well as Stakeholders Relationship Committee as provided under section 178(1) of the Companies Act,2013. The Nomination and Remuneration Committee considers that the qualifications, experience and positive attributes of the Directors on the Board of the Company are sufficient enough to discharge their duties as such. The remuneration is being paid to Managing and Whole time Directors in line with Schedule V of the Companies Act, 2013 as also only sitting fees are paid to other Directors for attending Board and Audit and Risk Management Committee meetings at present.

Policy on Nomination and Appointment of Directors/Criteria for appointment of Senior Management and Remuneration Policy as formulated under Section 178(3) of the Companies Act, 2013 is annexed as **Annexure II** and forms part of this Report.

k. **COMMENTS OF THE BOARD ON AUDITORS' REPORT:**

i. Observations of Statutory Auditors on Accounts for the year ended 31st March 2021: There are no qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditors in respect of financial statements as on and for the year ended 31st March, 2021.

ii. Secretarial Audit Report for the year ended 31st March, 2021: Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from a Practicing Company Secretary. **M/s. SAV & Associates LLP**, Practicing Company Secretaries, were appointed to conduct Secretarial Audit and issue Report for the financial year 2020-21.

Secretarial Audit Report issued by **M/s. SAV & Associates LLP**, Practicing Company Secretaries, in Form MR-3 for the financial year 2020-21 forms part of this report. The Secretarial Audit Report is annexed herewith as **Annexure - III**.

In respect of the observations made in the Secretarial Audit report, the explanations and comments are offered by the Board as follows:

- There was a delay in compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015.
  - → There was a delay in compliance relating to appointment of Independent Women Director. BSE and NSE had levied fine on the Company for the period April 1, 2020 to November 10, 2020. Company has appointed Mrs. Manjul Sadhu as Additional Woman Independent Director w.e.f. 11th November, 2020. The Company has represented to the exchanges expressing its difficulties due to COVID-19 and other factors and sought a waiver of the fine. The decisions of the exchanges are awaited as on date.
  - → Except for what is stated above, there were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.
- The Company has not made payment of minimum wages to Plant Workman category employees, at Hyderabad Unit, as required to be paid in Telangana State. The Hyderabad unit also reported delay in payment under Payment of Bonus Act and professional tax.
  - → The Company normally engages some workers in the plant through a contractor. The workmen are the employees of the contractor and as per the agreement between the Company and the contractor(s) it is his basic responsibility to ensure the wages are paid as per Minimum Wages Act. The Company has already instructed to

ensure that differential wages are paid to those workmen to comply with the provisions of the Minimum Wages Act.

→ The Company shall ensure to avoid such minor delays going forward.

l. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

Details of Loans granted, Guarantees given or Investments made during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

m. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

Contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business.

All related party transactions are placed for the approval before the Audit and Risk Management Committee and also before the Board and Shareholders wherever necessary in compliance with the provisions of the Act and Listing Regulations. The Audit Committee had granted omnibus approval for Related Party Transactions as per the provisions contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year, the Company has entered into contracts/arrangements/transactions with one of the Related Parties viz. Themis Distributors Pvt. Ltd. to transact upto Rs.280 Crores (including the limit of Rs.90 Crores approved by the members on 31st December, 2018) which was approved by shareholders at the AGM held on 28th September, 2020, which could be considered material in accordance with policy of the Company on material related party transactions or under section 188(1) of the Act. Accordingly, particulars are reported in Form AOC-2.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board has been adopted by the Company and uploaded on the Company's website at the link: http://www.themismedicare.com/wp-content/uploads/2015/08/Related-Party-Policy.pdf

n. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by your Company are adequate. During the year under review, no material or serious observations were received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

The Internal Financial Controls followed by the Company are adequate and commensurate with the size and nature of the business and were operating effectively during the year under review.

Internal Audit function of the Company is carried out through Independent Chartered Accountants Firms to test and verify the Company's Internal Control System. The Company's assets are adequately safeguarded against significant misuse or loss. The Company has in place, adequate Internal Financial Controls with respect to maintenance of accounting records and financial transactions. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

o. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

There are no orders passed by the regulators or courts or Tribunals for/or against the Company during the year under review, except what is stated in XVII. (b) of Corporate Governance Report.

p. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

q. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section

54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

r. **DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:**

As per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and other applicable Regulations, details of equity shares issued if any under Employees Stock Option Scheme during the financial year under review is furnished in **Annexure IV** attached herewith which forms part of this Report.

s. **DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:**

The provisions of Section 67(3) as well as disclosure under rule 16(4) of Companies (Share Capital and Debentures) Rules 2014 are not applicable in respect of Equity shares allotted against ESOPs granted to employees.

t. **BUSINESS RESPONSIBILITY REPORT (BRR):**

In accordance with Regulation 34(2) of the Listing Regulations, the inclusion of BRR as a part of the Annual Report is mandated for top 1000 listed entities based on the market capitalization. BRR for the F.Y. 2020-21 has been prepared in accordance with the format prescribed by SEBI. The summary of the BRR is appended herewith as **Annexure VIII** to this Report.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Ms. Manjul Sandhu (DIN: 00330363) who was appointed as an Additional Director by the Board of Directors with effect from 11th November, 2020 pursuant to provisions of Section 161 of the Act holds office upto the date of the ensuing Annual General Meeting.

Apart from the above, no change took place in the Board Composition and Key Managerial Personnel.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Lajos Kovacs (DIN: 01297326), Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends to the members the appointment of Mr. Lajos Kovacs as a Director in the ensuing Annual General Meeting (AGM) of the Company.

Necessary resolutions for the appointment/ re-appointment of the aforesaid Directors are included in the Notice convening the ensuing AGM and details of the proposal for appointment/re-appointment are mentioned in the Explanatory Statement to the Notice.

Mr. Humayun Dhanrajgir completes his second term as an Independent Director at the ensuing Annual General Meeting. Your Directors place on record their appreciation of the services rendered by Mr. Dhanrajgir during his tenure as Director of the Company.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. **BOARD MEETINGS:**

A calendar of regular meetings was prepared and circulated in advance to the Directors. Pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, the Board met five (5) times during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. **DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2021, the Board of Directors hereby confirms that:

i. in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure according to the accounting standards;

ii. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for that year;

iii. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts of the Company have been prepared on a going concern basis;

v. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

c. COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with the requirement of applicable laws and as part of best governance practices, the Company has following Committees of the Board as on 31st March, 2021:

i. Audit and Risk Management Committee

ii. Stakeholders Relationship Committee

iii. Nomination and Remuneration Committee

iv. Corporate Social Responsibility Committee

The details with respect to the aforesaid Committees forms part of the Corporate Governance Report.

d. VIGIL MECHANISM POLICY/ WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

As per SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 which amends SEBI (Prohibition of Insider Trading) Regulation, 20l5, the listed company shall have a whistle — blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

Considering the above amendment in SEBI (PIT) Regulations, 2015, the Vigil Mechanism Policy of the Company was amended with effect from 1st April, 2019 to enable employees to report instances of leak of unpublished price sensitive information.

The employees of the Company have the right/ option to report their concern/grievance to the Chairman of the Audit and Risk Management Committee.

The said Policy is available on the website of the Company at http://www.themismedicare.com/wp-content/uploads/2016/12/Vigil-Mechanism-Whistle-Blower-Policy.pdf

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

e. RISK MANAGEMENT:

We have an integrated approach to managing risks inherent in various aspect of our business.

The Audit and Risk Management Committee and the Board discuss various aspects involved in Business risks to the Company and the manner to mitigate the same.

f. CORPORATE SOCIAL RESPONSIBILITY POLICY:

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee.

The composition of the CSR Committee of the Company is as under:

i. Mr. Humayun Dhanrajgir, Chairman of the Committee,

ii. Mr. H. Subramaniam, Member and

iii. Dr. Sachin D. Patel, Member

The Company has formulated policy for CSR activities and is placed on the website of the Company at http://www.themismedicare.com/wp-content/uploads/2016/12/CSR-Policy.pdf.

Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure - V** and forms an integral part of this Report.

During the year under the review no CSR committee meeting has been conducted.

It is proposed to carry forward the unspent amount to the current financial year.

g. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the Board was evaluated by the Board with the help of inputs received from all the Directors on the basis of the criteria such as the Board Composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board with the help of inputs received from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc. The Board concluded that all Board Committees were discharging its functions effectively.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like ability to contribute and monitor our corporate governance practices, meaningful and constructive contribution in the issues discussed in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The Board was overall of the opinion that the Independent Directors have contributed through the process of Board and Committee meeting of which they are members in effective manner as per as their expertise in their field and needs of the organization. The suggestions and contributions of the Independent Directors in the working of the Board\Committee were satisfactory and the value addition made by such Independent Directors individually and as a team is commendable.

Also the Company had provided facility of performance evaluation to Directors through online platform for convenience of the Board members.

h. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review has been marked as **Annexure VI.**

i. PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES:

None of the managerial personnel i.e. Managing Director and Whole time Directors of the Company is in receipt of remuneration/ commission from the Holding or Subsidiary Company of the Company.

4. AUDITORS' REPORTS:

a. **APPOINTMENT OF AUDITORS:**

M/s. R. P. Sardar & Co., Chartered Accountants (FRN - 109273W), the Statutory Auditors of the Company, were appointed by the members at the 47th Annual General Meeting (AGM) to hold such office till conclusion of the 52nd AGM subject to ratification of their appointment by the members at every intervening AGM held after 47th AGM.

The Ministry of Corporate Affairs (MCA), vide its commencement Notification No. SO 1833(E) dated 7th May, 2018, has notified and amended the relevant provision of the Companies Act,2013 relating the requirement of placing the matter relating to ratification of appointment of Statutory Auditors by members at every Annual General Meeting. The said amendment has done away with the requirement of Ratification of appointment of the Statutory Auditors. Therefore, M/s. R. P. Sardar & Co., Chartered Accountants (FRN - 109273W), will continue to hold office till conclusion of the 52nd AGM and their appointment will not be subject to ratification by the members at every intervening AGM held after 47th AGM.

b. MAINTENANCE OF COST RECORDS :

Maintenance of cost records is required as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and accordingly such accounts and records are made and maintained.

c. COST AUDITORS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors on recommendation of the Audit and Risk Management Committee, appointed B. J. D. Nanabhoy & Co., Cost Accountants as the Cost Auditors of the Company for the financial year 2021-22 for the applicable Product.

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, appropriate resolutions seeking your ratification to the remuneration of the said Cost Auditors is appearing in the Notice convening the 51st AGM of the Company.

d. SECRETARIAL AUDITORS:

The Board of Directors of the Company appointed **M/s. SAV & Associates LLP**, Practicing Company Secretaries, Mumbai, to conduct Secretarial Audit for the financial year 2020-21.

During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards.

5. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on 31st March, 2021 is available on the Company's website on https://www.themismedicare.com.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure VII** which forms part of this Report.

c. CORPORATE GOVERNANCE:

Report on Corporate Governance and Certificate of Practising Company Secretary regarding compliance of the Conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015with the Stock Exchanges, are enclosed as a separate section and forms part of this report.

d. PREVENTION OF SEXUAL HARASSMENT:

We have zero tolerance for sexual harassment at the workplace and have adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of Complaints of Sexual Harassment at the workplace.

During the financial year ended 31st March, 2021, your Company has not received any complaint relating to sexual harassment.

6. MANAGEMENT DISCUSSION & ANALYSIS:

Financial Overview:

The financial performance of the Company for the financial year ended 31st March, 2021, is as follows:

Total revenue from operations stood at Rs.230.67 Crores for the year ended 31st March, 2021, as against Rs. 201.59 Crores for the corresponding previous period, an increase of 14.43 %.

The cost of raw materials incurred for the financial year ended 31st March, 2021 was Rs. 78.21 Crores as against Rs. 63.18 Crores for the corresponding previous period. The EBIDTA (earnings before interest, depreciation and tax, excluding other income) was Rs. 49.88 Crore for the year ended 31st March, 2021, as against Rs. 35.68 Crore for the corresponding previous period, an increase of 39.80%.

The finance cost for the financial year ended 31st March, 2021 was Rs. 12.71 Crore as against Rs. 12.88 Crore for the corresponding previous period.

The PAT (profit after tax) was Rs. 26.62 Crores for the year ended 31st March, 2021, as against Rs. 15.91 Crores for the corresponding previous period, an increase of 67.30 %.

Resources and Liquidity:

The cash and cash equivalents at the end of 31st March, 2021 were Rs. 19.00 Crore. The net debt to equity ratio of the Company stood at 0.57: 1 as on 31st March, 2021.

Business category wise performance:

The Company operates in one segment i.e. pharmaceuticals. The results of the Company under review depict business growth during the period. The Company is presently manufacturing of pharmaceutical products, especially in Formulation and API activity.

Risk & Concerns:

The business of the Company is exposed to few risks. Risks, liabilities and losses are part and parcel of any industry and need to be tackled through well forecasted strategies and actions.

Unfavorable Policy Changes

In the past few years, the Government of India has made frequent changes in the drug pricing and other laws impacting the operations of the Company. Further adverse changes in government policies with respect to essential medicines and pricing with respect to the products may reduce margins of the Company. The Government policies are creating new risks for domestic market by including new molecules to the price control umbrella and also by issuing ban on various Fixed Dose Combinations.

Credit Risk

To manage its credit exposure, the Company has determined a credit policy with credit limit requests and approval procedures. The Company does its own research of a counterparty's financial health and business prospects. Timely and rigorous process is followed up with clients for payments as per schedule. The Company has suitably streamlined the process to develop a focused and aggressive receivables management system to ensure timely collections.

Interest Rate Risk

The Company has judiciously managed the debt-equity ratio. It has been using a mix of loans and internal cash accruals. The Company has well managed the working capital to maintain the overall interest cost at reasonable levels.

Competition Risk

Like in most other industries, growth opportunities lead to a rise in competition. We face different levels of competition, from domestic as well as multinational companies. The Company has created strong differentiators in execution, quality and delivery which make it resilient to competition. Furthermore, the Company continues to invest in R&D and its people to maintain a competitive edge. A stable and growing client base further helps maintain a strong order book and insulate the Company from this risk. We also mitigate this risk with the quality of our infrastructure and specialized formulation methodologies, coupled with prudent financial and human resources management and better control over costs.

Input Cost Risk

Our profitability and cost effectiveness may be affected due to change in the prices of raw materials, power and other input costs.

<u>Opportunities</u>

Growth in Pharma Sector

The Indian pharmaceutical industry is well-positioned to reinforce its position as a global pharmaceutical provider. As per industry estimates, India's Pharmaceutical Industry is expected to have expanded at a CAGR of 12.89% over 2015–20 to reach USD 55 billion and by 2025 is forecast to grow to USD 100 billion. With rising income levels, growing health awareness and better access to healthcare, emerging markets like the one in India offer significant growth potential for the pharmaceutical industry.

With the outbreak of the COVID-19 pandemic, healthcare has come even more to the forefront for the masses across the world. With increased awareness and concern for health and well-being, demand for pharmaceutical products has grown significantly over the last year.

The pharma business related with basic human needs and introduction of innovative and cost-effective medicines enjoys maximum opportunities in a densely populated country like India, where there is substantial untapped potential for growth.

Government Initiatives

Favourable schemes made by the Government of India to support and grow the Pharma sector bode well for companies operating in this industry.

Threats

Threat from Substitute Products

Availability of sub-standard and substitute products in the market, and fierce competition are major threats to the business stability for a small size Company like ours. However, the Management is taking all necessary steps and continuously adopting strategies not only to stand in the market but to perform impressively under the current scenario.

The Company is fully aware of its capabilities and strengths and is going ahead with its strategy of collaborating with Pharmaceutical majors.

Threat from Global Competitors

Indian Pharma Companies will face competition from bigger, Global pharma companies, backed by huge financial muscle. Generic drugs offer cost-effective alternatives to drugs innovators and significant savings to customers.

Threat from Impact of COVID-19

While the pandemic has spurred demand for pharma products in India and globally, the lockdowns to contain the virus have also hampered production and logistics operations to some extent, and it is expected that the first half of FY22 to be challenging in these aspects as well.

Internal control system and adequacy:

The Company ensures 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.

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. Other statutory requirements especially, in respect of pharmaceutical business are also vigorously followed in order to have better internal controls over the affairs of the Company.

Outlook:

The API market is witnessing a steady growth in terms of volumes and value worldwide. As per industry forecasts, the global API market is expected to expand to USD 248.3 billion by 2025, from USD 187 billion in 2020, at a CAGR of 5.8%. Growth is expected to be driven by factors such as rising drug R&D, increasing incidence of chronic diseases, rising importance of generics and higher uptake of biopharmaceuticals. The COVID-19 pandemic has expedited this growth by bringing pharma R&D and manufacturing to the forefront.

The Company is in the process of identifying products which have good domestic and export potential. The Company also has plans to establish a new R&D lab to take care of technological developments for new products that are being identified for global markets.

With its R&D and manufacturing capacities in place, the Company is in a good position to capitalize on the significant growth opportunities in this sector going forward.

OPERATIONAL OVERVIEW:

The Company constantly reviews its product market portfolio with the view to sustain its growth. The Company has driven fiscal growth by focusing on the following areas.

(a) Industry structure and developments:

The Indian economy suffered headwinds from the COVID-19 pandemic during the last year much like every other nation across the world. With almost all major industries impacted by the lockdown to curb the virus, overall output reduced during the last year, and growth forecasts were reduced. However, as the economy reopens and vaccination drives increase, growth projections are looking upwards again, despite being lower than what was forecasted pre-COVID.

The World Bank revised its forecast for growth in the Indian economy by 2.9 percentage points to 8.3% in 2021-22, and 7.5% in 2022-23. This is after a contraction of about 7.3% in 2020.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the strong potential to steer the industry ahead to an even higher level. Indian pharmaceutical sector industry supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicines in UK. India's share of vaccine exports increased since the onset of the pandemic, as our country has been one of the key exporters of the vaccine to several nations. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic diseases.

The Indian Government has taken many steps to reduce costs and bring down healthcare expenses. In addition, the thrust on rural health programs, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies. The Industry, consisting of domestic and foreign players, is witnessing increased spends on R&D initiatives focusing on expanding traditional generic portfolios.

(b) Government Initiatives for Pharmaceuticals Industry:

Government Support for Indian Pharma Sector

The Government of India has drawn several schemes and policies over the recent past to support and grow the pharmaceutical industry in the country.

The Government has approved production linked incentives (PLI) of up to Rs. 6,940 Crores for promotion of domestic manufacturing of critical Key Starting Materials (KSMs) / Drug Intermediates (DIs) and Active Pharmaceutical Ingredients (APIs) in India. These include many fermentation based KSMs, DIs and APIs.

In the Budget 2021, the Government gave a 200% boost to the pharma sector, with aims to reduce our dependence on China for raw materials, etc. The 2021 budget set aside Rs. 124.42 Crores for initiatives for the development of the pharmaceutical industry, as compared with an allocation of Rs. 42.05 Crores in the previous budget.

The Union Cabinet also gave its nod for the amendment of the existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100 per cent under the automatic route for manufacturing of medical devices subject to certain conditions.

Moreover, under Budget 2020-21, allocation to the Ministry of Health and Family Welfare is Rs.65,012 Crore (US$ 9.30 billion). The Government allocated Rs.34,115 Crore (US$ 4.88 billion) towards the National Health Mission under which rural and urban people will benefit.

In FY. 2019, Rs. 6,400 Crore (US$ 915.72 million) was allocated to health insurance scheme Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB PMJAY). The National Health Protection Scheme is largest government funded healthcare program in the world, which is expected to benefit 100 million poor families in the country by providing a cover of up to Rs 5 lakh (US$ 7,723.2) per family per year for secondary and tertiary care hospitalisation.

The Government of India is also planning to set up an electronic platform to regulate online pharmacies under a new policy, in order to stop any misuse due to easy availability. Approval time for new facilities has also been reduced to boost investments.

Furthermore, the Government has introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

Company's Strategy

The Company is finding new avenues by expanding its existing production capacity.

The Company is fully aware of its capabilities and strengths and is going ahead with hand holding strategy with Pharmaceutical majors.

(c) Segment–wise or product-wise performance:

The Company operates in single segment i.e., pharmaceuticals. The results of the Company under review depict business growth during the period.

(g) Discussion on financial performance with respect to operational Performance:

The operational performance during the year under review was one of the best in recent past.

The Net Profit after Tax increased by 67.30% compared to previous year. The production capacity was utilized to the maximum level during the year. Your Company has generated profit during the year under review as well as in the previous year.

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

The core of the Human Resource philosophy at Themis Medicare Limited is empowering human resources towards achievement of company aspirations. Your Company has a diverse mix of youth and experience which nurtures the business. As on 31st March, 2021 the total employee strength was 890.

(i) Details of significant changes in key financial ratios (i.e. change of 25% or more as compared to the immediately previous financial year):

Sr.No	Particulars	2020-21	2019-20
1	Debtors Turnover (in days)	123 days	187 days
2	Inventory Turnover (in days)	273 days	314 days
3	Interest Coverage Ratio	3.94 : 1	2.63 : 1
4	Current Ratio	2.20 : 1	1.84 : 1
5	Debt Equity Ratio	0.56 : 1	0.80 : 1
6	Operating Profit Margin (%)	19%	15 %
7	Net Profit Margin (%)	14%	9 %

(j) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

Financial year	2020-21	2019-20
Debtors Turnover (in days)	123 days	187 days
Return on net worth (%)	18%	13%

The Return on net worth increased during the year 2020-21 as compared to previous year 2019-20 because of net profit earned of Rs. 2662.05 Lakhs in 2020-21 as against net profit incurred of Rs 1591.20 Lakhs in year 2020-21.

7. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, collaborators, employees, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board of Directors

Sd/-
Dr. Sachin D. Patel
Managing Director & CEO
DIN: 00033353

Sd/-
H. Dhanrajgir
Independent Director
DIN: 00004006

Place: Mumbai
Dated: 27th May, 2021

Annexure I

PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

(Information in respect of each subsidiary / Associate Companies / Joint Venture Companies to be presented with amounts in ₹)

Form AOC-1

Part-A

	Name of the subsidiary/Joint Venture/Associate Companies	Subsidiary Companies		
		Artemis Biotech Ltd.	Themis Lifestyle Pvt. Ltd	Carpo Medical Limited (UK)[(2)]
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	INR	INR	GBP (£)
3	Share capital	INR. 5,00,000/-, 50000 Equity Shares of ₹10/- each	INR. 1,00,000/-, 10000 Equity Shares of ₹10/- each	INR 84,280/-, 1000 Equity Shares of GBP (£) 1 each.
4	Reserves and Surplus	(6,08,574)	(1,42,875)	(1,40,86,491)
5	Total Assets	56,645	20,749	1,01,236
6	Total Liabilities	1,65,219	63,624	1,41,03,446
7	Investments	NIL	NIL	NIL
8	Turnover	NIL	NIL	NIL
9	Profit before taxation	(12,744)	(11,210)	(38,68,094)
10	Provision for taxation	NIL	NIL	NIL
11	Profit after taxation	(12,744)	(11,210)	(38,68,094)
12	Proposed Dividend	-	-	-
13	% of shareholding	95%	99%	100%

1) Financial reporting period of all subsidiaries is 31st March 2021.
2) Exchange rate considered for translation of financial statement of Carpo Medical Limited (UK) is as per Ind AS 21.
3) Figures in the bracket indicates 'Negative' figures.

Names of the subsidiaries which are yet to commence operations.

- Artemis Biotech Ltd. (CIN No. U24233MH2011PLC212359)
- Themis Lifestyle Pvt. Ltd. (CIN No. U33111MH2010PTC209797)

Names of subsidiaries which have been liquidated or sold during the year: NA

Part-B

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

Name of Associate / Joint Venture	Associates		Joint Venture
	Gujarat Themis Biosyn Ltd.	Long Island Nutritionals Pvt. Ltd.	Richter Themis Medicare (India) Pvt. Ltd.
1. Latest audited Balance Sheet Date	31.03.2021	31.03.2021	31.03.2021
2. Shares of Associate held by the company on the year end	Equity Shares	Equity Shares	Equity Shares
3. No. of Shares	3369605	26208	6860000
4. Amount of Investment in Associates (₹)	33696050	3806412	68600000
5. Extent of Holding%	23.19%	37.14%	49%
6. Description of how there is significant influence	Since there is 23.19% investment and also representing the Board	Since there is 37.14% investment and also representing the Board	Since it's a Joint Venture and Company holds 49% of Share Capital.
7. Reason why the associate / joint venture is not consolidated	Consolidated	Consolidated	Consolidated
8. Networth attributable to shareholding as per latest audited Balance Sheet	16,22,07,557	(3,06,09,418)	19,80,06,737
9. Profit/Loss for the year			
i. Considered in Consolidation	6,44,26,775	-	3,03,19,872
ii. Not Considered in Consolidation	23,73,69,790	(1,12,82,133)	5,95,57,417

Notes: Figures in the bracket indicates 'Negative' figures.

1. **Names of associates or joint ventures which are yet to commence operations:** Nil

2. **Names of associates or joint ventures which have been liquidated or sold during the year:** Nil

Annexure II

Nomination and Remuneration Policy

PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company has already constituted Nomination & Remuneration Committee comprising of four Non - Executive Independent Directors as members of the Committee as required under Listing Regulations.

OBJECTIVES

The Key Objectives of the Nomination & Remuneration Committee would be:

a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;

b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation;

c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;

d) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to company’s performance;

e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;

f) To enable the company for competing effectively in the labour market and to recruit and retain high caliber staff;

g) To operate at minimum rate of labour turnover.

DEFINITIONS

“Act” means the Companies Act, 2013 and Rules framed thereunder as amended from time to time.

“**Board**” means Board of Directors of the Company.

“**Company**” means “Themis Medicare Limited.”

“**Directors**” mean Directors of the Company.

“Employees’ Stock Option” means the option given to the Directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.

“Independent Director” means a Director referred to in Section 149 (6) of the Companies Act, 2013.

“**Key Managerial Personnel**” (KMP) means:

- Chief Executive Officer or the Managing Director or the Manager,
- Company Secretary,
- Whole - time Director,
- Chief Financial Officer and
- Such other officer as may be prescribed.

“Nomination and Remuneration Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

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

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

“Senior Management” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive Directors, including all the functional heads.

INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

GUIDING PRINCIPLES

The Policy ensures that

– The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) Formulate criteria for evaluation of Independent Directors and the Board.

c) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.

d) To carry out evaluation of every Director's performance.

e) To recommend to the Board the appointment and removal of Directors and Senior Management.

f) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

h) To devise a policy on Board diversity.

i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

MEMBERSHIP

a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.

b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.

c) Minimum two (2) members shall constitute a quorum for the Committee meeting.

d) Membership of the Committee shall be disclosed in the Annual Report.

e) Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN

a) Chairman of the Committee shall be an Independent Director.

b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

c) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

VOTING

a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- **Appointment criteria and qualifications:**

  a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- **Term / Tenure:**

(a) Managing Director / Whole-time Director / Executive Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director, Whole Time Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

At the time of appointment of Whole Time Director it should be ensured that number of Boards on which such Director serves is restricted to three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed from time to time.

(b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director or such other number as may be prescribed from time to time

(c) Evaluation

The Committee shall carry out evaluation of performance of every Director, Key Managerial Personnel and Senior Management Personnel at regular interval.

(d) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(e) Retirement

The Director, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

- General:

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- Remuneration to Managerial Person, KMP and Senior Management:

1. Fixed pay:

   Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

   If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. Provisions for excess remuneration:

   If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by shareholders .

- Remuneration to Non-Executive / Independent Director:

1. Remuneration / Commission:

   The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

2. Sitting Fees:

   The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Limit of Remuneration /Commission:

   Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

   An Independent Director shall not be entitled to any stock option of the Company.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

Annexure III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,
The Members,
Themis Medicare Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Themis Medicare Limited (hereinafter called "the Company"). The 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. We have conducted online verification and examination of records, as facilitated by the Company, due to COVID-19 pandemic and subsequent lockdown situation, for the purpose of this report.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other relevant records maintained by the Company and also 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, 2021, 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 maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

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

(ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the Rules made there under;

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

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

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

(a) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended);

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended in 2021);

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (as amended) regarding the Companies Act and dealing with client;

(vi) Employees Provident Fund and Miscellaneous Provisions Act, 1952;

(vii) Employees State Insurance Act, 1948;

(viii) Employers Liability Act, 1938;

(ix) Employment Exchange (Compulsory Notification of Vacancies) Rules, 1968;

(x) Environment Protection Act, 1986 and other environmental laws;

(xi) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013;

(xii) Equal Remuneration Act, 1976;

(xiii) Factories Act, 1948 and the rules made there under;

(xiv) The Contract Labour (Regulation and Abolition) Act, 1970;

(xv) Water (Prevention & Control of Pollution) Act, 1974, Environment (Protection) Act, 1986, Air (Prevention & Control of Pollution) Act, 1981 and Hazardous Wastes (Management & Handling) Rules, 1989 and Amendment Rule, 2003, Hazardous Wastes (Management, Handling and Transboundry Movement) Rules, 2008 and amendments thereof;

(xvi) Indian Boiler Act, 1923;

(xvii) Indian Contract Act, 1872;

(xviii) Professional Tax Act, 1975;

(xix) Indian Stamp Act, 1999 read with The Bombay Stamp Act, 1958;

(xx) Industrial Dispute Act, 1947;

(xxi) Maternity Benefits Act, 1961;

(xxii) Minimum Wages Act, 1948;

(xxiii) Negotiable Instruments Act, 1881;

(xxiv) Payment of Bonus Act, 1965;

(xxv) Payment of Gratuity Act, 1972;

(xxvi) Payment of Wages Act, 1936 and other applicable labour laws;

(xxvii) The National & Festival Holidays Act, 1963;

(xxviii) Pharmacy Act, 1948;

(xxix) Drugs and Cosmetics Act, 1940;

(xxx) Drug (Prices Control) Order, 2013;

(xxxi) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;

(xxxii) Food Safety & Standard Act, 2006;

(xxxiii) Narcotic Drugs and Psychotropic Substances Act,1985;

(xxxiv) The Medicinal & Toilet Preparations (Excise Duties) Act, 1955;

(xxxv) Bombay Prohibition Act, 1949;

(xxxvi) Petroleum Act,1934;

(xxxvii) Poisons Act, 1919;

(xxxviii) The Indian Copyright Act,1957;

(xxxix) The Patents Act, 1970;

(xl) The Trade Marks Act, 1999.

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

(g) Secretarial Standards issued by the Institute of Company Secretaries of India.

(i) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

1. *There was a delay in compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015.*
2. *The Company has not made payment of minimum wages to Plant Workman category employees, at Hyderabad Unit, as required to be paid in Telangana State. The Hyderabad unit also reported delay in payment under Payment of Bonus Act and professional tax.*

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meeting, 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. In case of foreign director Dr. Gabar Gulasci , an alternate director appointed to represent him attends the meeting.

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

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, *except observations made above*.

For SAV & Associates LLP
Company Secretaries

Shirish Shetye
Designated Partner
FCS 1926; CP No. 825
UDIN: F001926C000373143

Place: Mumbai
Date: 27th May, 2021

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

Annexure A

SECRETARIAL AUDIT REPORT

27th May, 2021

To,
The Members,
Themis Medicare Ltd.

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

(1) Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

(2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. Considering the restrictions, due to COVID-19 pandemic, to visit the plants and verify relevant records, we have conducted online verification and examination of records, as facilitated by the Company and confirmed by the management representation received by us, the verification was done on test basis to ensure that generally correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(3) We have not verified the correctness and appropriate of financial records and Books of accounts of the company.

(4) Wherever require we have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.

(5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard 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 the efficiency or effectiveness with which the management has conducted the affairs of the company.

For SAV & Associates LLP
Company Secretaries

SHIRISH SHETYE
Designated Partner
FCS No. 1926 CP No. 825

Annexure IV

Disclosure of details pertaining to the shares allotted under Employees Stock Option Scheme under the provisions of Section 62(1)(b) of the Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 during the year under review:

In case if the voting rights are not directly exercised, to provide additional details as specified in Rule 16(4) of the Companies (Share Capital and Debenture) Rules, 2014.

Total No. of Shares covered by ESOP Scheme approved by the Shareholders	**400,000 (Four Lakhs) Equity Shares**		
Grant	I	II	II
Options granted (01.04.2020 to 31.03.2021)	0	0	0
Options vested (01.04.2020 to 31.03.2021)	0	0	6000
Options exercised (01.04.2020 to 31.03.2021)	0	462	0
The total number of shares arising as a result of exercise of option	0	462	0
Options forfeited	0	0	0
Options lapsed (01.04.2020 to 31.03.2021)	0	3700	0
Extinguishment or modification of options	0	0	0
The exercise price	77.85	334.75	303
Pricing formula	As per the ESOS Scheme approved by the members of the Company.		
Variation of terms of options	NA	NA	NA
Money realized by exercise of options	0	154654.50	0
Total number of options in force (Themis ESOS 2012) as on 31.03.2021	43004		
Employee wise details of options granted to:			
- Key Managerial Personnel & Senior Managerial Personnel	NA	NA	NA
- Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year	NA	NA	NA
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	NA	NA	NA
Diluted EPS calculated in accordance with International Accounting Standard (IAS) 33	NA	NA	NA

Annexure V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(i) A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

The Company has assumed the responsibility to contribute to create positive and lasting social impact by addressing various needs of the society through its CSR programs. The Company has adopted its CSR Policy striving for economic and social development that positively impacts the society at large. CSR Policy of the Company provides the overview of projects or programs which are proposed to be undertaken by the Company.

The Policy on CSR adopted by the Company is available at http://www.themismedicare.com/wp-content/uploads/2016/12/CSR-Policy.pdf

(ii) The Composition of the CSR Committee : The composition of the CSR Committee is as under:

- Mr. Humayun Dhanrajgir, (Chairman)
- Mr. H. Subramaniam, (Member)
- Dr. Sachin D. Patel, (Member)

(iii) Average net profit of the company for last three financial years:

Average Net Profit: **299.22 lakhs**

(iv) Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above):

Average net profit ₹**299.22 lakhs**

CSR spending @2% = ₹**5.98 lakhs**

(v) Details of CSR spent during the financial year

Total amount to be spent for the financial year: ₹**5.98 lakhs**

Total amount spent for the financial year: ₹**51.27 lakhs**

A. Rs. 5.98 Lakhs (2%) to be spent during the Financial Year 2020-21.

B. Accumulated CSR unspent amount ₹36,65,000/- (F.Y2017-18 ₹4.56 Lakhs, F.Y 2018-19 ₹6.11 Lakhs and F.Y 2019-20 ₹5.98 Lakhs)

C. Company spent ₹54,75,200/- (Net amount after TDS -₹51,27,200/-) during the financial year 2020-21.

D. Company has over spent ₹18.10 Lakhs. (B-C)

E. Amount unspent, if any: NIL

Manner in which the amount spent during the financial year is detailed below-

CSR project or activity identified	**Sector in which the project is covered (Schedule VII of the Companies Act, 2013)** **(Note 1)**	**Projects or programme: (i) Local area or other (ii) Specify the State or District where the projects or programmes was undertaken**	**Amount outlay (Budget) project or programme wise**	**Amount spent on project or programs: Sub head: 1. Direct expenditure on project or programme; 2. Overhead**	**Cumulative expenditure up to the date of reporting**	**Amount spent: Direct or through implementing agencies***
Council of Scientific & Industrial Research (CSIR) – Indian Institute of Chemical Technology R&D project in the field of medicine aimed at promoting sustainable Development goals (SDGs)	Point No. ix of Schedule vii	CSIR – IICT Hyderabad	Rs. 54.75 Lakhs	Amount spent as per agreement with CSIR-IITC	Rs. 51.27 Lakhs (Net of TDS)	Amount spent through CSIR

(vi) In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report:-

(vii) CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and CSR Policy of the Company.

For and on behalf of the Board of Directors

SD/-	**SD/-**
Dr Sachin D. Patel	**Mr. Humayun Dhanrajgir**
Managing Director	Chairman – CSR Committee

Place: Mumbai

Dated: 27th May, 2021

Annexure VI

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary of the Company and ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21:

Name	% Increase / (Decrease) in the remuneration	Ratio of the remuneration of each Director / to median remuneration of the employees.
Executive Directors		
Mrs. Jayshree Dinesh Patel	NIL	37.84
Dr. Dinesh S. Patel (Executive Vice Chairman)	(3.59)	58.15
Dr. Sachin D. Patel (Managing Director & CEO)	NIL	51.36
Other KMPs		
Mr. Sangameshwar Iyer (Company Secretary)	5.85	N/A
Mr. Tushar Dalal (Chief Financial Officer)	1.18	N/A

Notes:

a) The Company has not paid any remuneration to its Non Executive and Independent Directors except sitting fees for attending Board and Board Committees meeting.

2) The percentage increase / (decrease) in the median remuneration of employees in the financial year: (1.47%)

3) The number of permanent employees on the rolls of the Company: 976.

4) Average percentile increase / decrease already made in the salaries of employees other than the managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2020-21 was 3.50%, while the average percentile increase in the remuneration of managerial personnel was NIL.

Average increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel is in line with the industry practice and is within the normal range.

5) It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Remuneration Policy of the Company.

Annexure VII

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) Conservation of energy:

Your Company has three manufacturing plants in India at Vapi, Hyderabad and Haridwar.

Steps taken or impact on conservation of energy	The Company attaches a great deal of importance to energy conservation. Efforts to conserve Energy continued during the year through timely preventive maintenance and inspection of major plant and Machinery. Company at its Haridwar Factory has taken steps for conservation of energy by replacing approx. 160 number of CFL lights with LED lights which are extremely energy efficient and consume less power compared to CFL and other lights and have also commissioned a new energy efficient water chiller which saves 30-35% less power.
Steps taken by the company for utilizing alternate sources of energy	Proposed to undertake a feasibility study for installing alternate energy system at Haridwar DG set of 750 KVA is installed as alternative source of power as and when GEB power shut down.
Capital investment on energy conservation equipments.	Replacement of Existing Chiller by new one

(B) Technology absorption:

Efforts made towards technology absorption	NA
Benefits derived like product improvement, cost reduction, product development or import substitution	Hexane Consumption Reduced by 50% at Hyderabad factory
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
• Details of technology imported	NA
• Year of import	NA
• Whether the technology has been fully absorbed	NA
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
Expenditure incurred on Research and Development	₹ 849.67 lakhs

(C) Foreign exchange earnings and Outgo:

Particulars	1st April, 2020 to 31st March, 2021 *[Current F.Y.]*	1st April, 2019 to 31st March, 2020 *[Previous F.Y.]*
	Amount in (₹ Lakhs)	Amount in (₹ Lakhs)
Actual Foreign Exchange earnings	9,949.31	6795.65
Actual Foreign Exchange outgo	272.19	312.97

Annexure VIII

BUSINESS RESPONSIBILITY REPORT

[SeeRegulation34(2)(f)]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L24110GJ1969PLC001590
2	Name of the Company	THEMIS MEDICARE LIMITED
3	Registered address	PLOT NO 69-A, GIDC IND ESTATE, VAPI, DIST- VALSAD, Gujarat-396195
4	Website	www.themismedicare.com
5	E-mail id	themis@themismedicare.com
6	Financial Year reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of Pharmaceuticals & Medicinal Chemicals. NIC Code 2100
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Formulations & APIs
9	Total number of locations where business activity is undertaken by the Company	The Company's manufacturing locations in India are situated at Vapi, Haridwar& Hyderabad and Corporate Office is located in Mumbai
	(a) Number of International Locations (Provide details of major 5	Nil
	(b) Number of National Locations	4
10	Markets served by the Company – Local/State/ National/International	The Company markets in over 44 Countries and has more than 4000 stockiests nationwide.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	PaidupCapital (INR)	Rs. 9,18,84,540/-
2	TotalTurnover (INR)	Rs. 234.29 Crore (Standalone)
3	Total profitafter taxes(INR)	Rs. 26.62 Crores (Standalone)
4	Total Spending on Corporate Social Responsibility (CSR)as percentage of profit after tax(2%)	A. Rs. 5.98 Lakhs (2%) to be spent during the Financial Year 2020-21. B. Accumulated CSR unspent amount Rs.36,65,000/- (F.Y2017-18 Rs. 4.56 Lakhs, F.Y 2018-19 Rs. 6.11 Lakhs and F.Y 2019-20 Rs.5.98 Lakhs) C. Company spent Rs. 54,75,200/- (Net amount after TDS -Rs. 51,27,200/-) during the financial year 2020-21. D. Company has over spent Rs. 18.10 Lakhs. (B-C)
5	List of activities in which expenditure in 4 above has beenincurred:-	
	Contributed to Council of Scientific and Industrial Research (CSIR) as per Schedule VII (ix)(b) of Companies Act, 2013. for conducting research in medicine as per Agreement with them.	Rs. 54,75,200/-

SECTION C: OTHERDETAILS

1	Does the Company have any Subsidiary Company / Companies?	Yes. The Company has three subsidiaries namely, Artemis Biotech Limited, Themis Lifestyle Private Limited and Carpo Medical Limited (UK).
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	NO
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	NO

SECTION D: BR INFORMATION

1. Details of Directors responsiblefor BR

   (a) Details of the Director/s responsible for implementation of the BR policy/policies

DIN NO.	NAME	DESIGNATION
00033273	DR. DINESH S. PATEL	Executive Vice Chairman
00033353	DR. SACHIN D. PATEL	Managing Director & CEO

   (b) Details of the BR head

DIN NO.	NAME	DESIGNATION	TEL. NO.	E-MAIL ID
00033273	DR. DINESH S. PATEL	Executive Vice Chairman	022-67607080	info@themismedicare.com
00033353	DR. SACHIN D. PATEL	Managing Director & CEO	022-67607080	info@themismedicare.com

2. Principle-wise(as per NVGs) BR policy/policies

   As a responsible corporate citizen, Themis Medicare Ltd. has adopted several internal policies that guide all aspects of our operations and business activities. These policies are in line with the NVG Principles, relevant global standards and industry best practices.

   Thematic areas of the NVG Principles

   Principle 1: Ethics, Transparency and Accountability.

   Principle 2: Safety and sustainability throughout the lifecycle.

   Principle 3: Well-being of all employees.

   Principle 4: Respecting interests of all stakeholders.

   Principle 5: Promotion of human rights.

   Principle 6: Protection of environment.

   Principle 7: Responsibly influencing public and regulatory policy

   Principle 8: Inclusive growth and equitable development.

   Principle 9: Customer engagement

Details of compliance

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	N	N	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	NA	Y
3	Does the policy conform to any national/ international standards? If yes, specify?(50words)	The policies are broadly based on National Voluntary Guidelines on social, environmental and economical responsibilities of business issued by the Ministry of Corporate Affairs, Government of India.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Yes, the Company is abiding by the various laws and while framing the policies, the Company takes into account the best practices and national and international standards.								
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The implementation of all the policies formulated by the Company are implemented by the Top Management of the Company.								
6	Indicate the link for the policy to be viewed online?	All the policies adopted by the Company are placed on the website of the company which is available on www.themismedicare.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies are communicated to the stakeholders through Company's website. www.themismedicare.com								
8	Does the company have in-house structure to implement the policy/policies.	All the policies formulated by the Company are implemented by the Top Management of the Company.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Yes, the Company has formed a Stakeholders' / Investors' Relationship Committee to redress any grievances of shareholders and investors. Product related grievances are also resolved by the respective business heads to which the product pertains to. Also the respective business / unit heads attend to any grievances pertaining to their department and address the grievances.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No								

3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3months ,3-6 months, Annually, Morethan1 year	Since, this is made applicable for the first time, going forward, the Company will be periodically assessing the BR performance
(b)	Does the company publish a Business responsibility Report or a Sustainability Report? What is the hyperlink for viewing this report . How frequently it is published?	The Company will be publishing the BR report for the first time along with its Directors' Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

P-1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Yes, we have policies, governance structures and procedures to ensure high level of corporate governance and ethics within our organization.

The Company has formulated a Business Code of Conduct & Ethics which can be viewed on the Company's website under the link" Policies"

The Company has put in place, Whistleblower Policy in order to enable employees and others to bring to the notice of Board and management, any wrongdoing or unethical practices observed in the Company. The policy can be viewed on the Company's website under the link" Policies".

Details relating to shareholders' complaints are provided in Corporate Governance Report, which is a part of this Annual Report. During the reporting year, the Company has not received any stakeholder complaint.

P-2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle.

We stringently adhere to all internationally accepted standards of product quality, purity, efficacy and safety.

The Company has formulated a Quality Policy and it strictly adheres to the same.

P-3 Businesses should promote the well being of all employees

At THEMIS, we believe that our company's success relies on the collective success of our people. We have built a working culture which ensures the safety, well-being and professional growth of all our employees and service providers. We promote continuous development by aligning our employee's career aspirations with our organizational goals.

1. Total number of employees. **976 Nos.**
2. Total number of employees hired on temporary/contractual/casual basis. - **324 Nos.**
3. Total number of permanent women employees. **46 Nos.**
4. Total number of permanent employees with disabilities. **N.A**
5. The Company does not have an employee association that is recognized by management.
6. What percentage of your permanent employees is members of this recognized employee association? **N.A**
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/ involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

   (a) Permanent Employees **100%**

   (b) Permanent Women Employees **100%**

   (c) Casual/Temporary/Contractual Employees **100%**

   (d) Employees with Disabilities **N.A**

P-4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? **Yes**
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. **Yes**

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.:

   In accordance with the CSR policy of the Company, the Company takes various CSR initiatives through various agencies including registered trusts/ societies or Companies or Autonomous Bodies/ Government Departments. The Company spends every year 2% of the Average Net Profit for the immediately three preceding financial years as applicable.

P-5 Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures Suppliers/ Contractors/ NGOs/Others?

   It covers entire THEMIS Group. However, it does not cover suppliers, contractors, NGOs and others.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? **None**

P-6 Business should respect, protect, and make efforts to restore the environment

Our Company's policy to provide a workplace free from accidents, injuries and exposure to hazardous chemicals; conserve natural resources and prevent pollution to protect the environment. We have set our objectives and are committed to Comply with applicable Environmental, Health and Safety norms [EHS] etc.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others. **It applies to the Company and the group.**

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. **No**

3. Does the company identify and assess potential environmental risks?

   Yes, it identifies and assesses potential environmental risks and mitigates them to eliminate such risks through necessary steps & implementations.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? **No**

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. **No**

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes, the Company complies with the applicable environmental laws and regulations. The Company's emissions, effluents and waste are within Central and State Pollution Control Boards permissible limits

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year .

   There were no show cause/legal notices in the year from CPCB/SPCB.

P-7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   a) Indian Drug Manufacturers Association (IDMA)

   b) Pharmaceuticals Export Promotion Council of India (PHARMEXCIL)

   c) Indian Pharmaceutical Association (IPA)

      Themis proactively participates in discussions at industry forums and policy advocacy on industry issues

2) Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others). **NO**

P-8 Businesses should support inclusive growth and equitable development

1) Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   There is no specified policy.

2) Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization? **NA**

3) Have you done any impact assessment of your initiative? **NA**

4) What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken. **NA**

5) Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. **NA**

P-9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year. **NIL**

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information) **NA**

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. **No**

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   The company takes periodical feedback from its customer & stakeholder with a view to improve its performance.

Report on Corporate Governance

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Governance Philosophy of your Company is based on strong foundations of ethical values and professionalism which over the past 50 years of the Company's existence has become a part of its culture. Corporate Governance is about commitment to values and ethical business conduct. It is about how an organisation is managed. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and management of the Company is an important part of Corporate Governance.

The Company has always been committed to the principles of good Corporate Governance.

At Themis, we also consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and Governance of the Company. All Themisians are committed to a balanced Corporate Governance system, which provides the framework for achieving the Company's objectives encompassing practically every sphere of management, from action plans and internal controls to corporate disclosures.

Your Company is not only in compliance with the requirements stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations,2015 ("SEBI LODR") as amended from time to time, with regard to Corporate Governance, but is also committed to sound Corporate Governance principles and practice and constantly strives to adopt emerging best Corporate Governance practises being followed worldwide.

A report on compliance with Corporate Governance principles as prescribed under the SEBI LODR is given below.

2. BOARD OF DIRECTORS

I. Composition and Category:

→ The Board of the Company has an optimum combination of Professional Independent Directors as well as Executive and Non-Executive Directors to maintain the independence of the Board. The Independent Directors on the Board are as statutorily required, resulting in professional and business acumen of all fields at the Board level. The Chairman of the Board is an Independent Non- Executive Non-Promoter Director.

→ The present strength of the Board is Twelve Directors comprising five Indian Independent Professional Directors, Two Directors representing Foreign Collaborators/Promoters, Four Indian Promoter Directors of which one is Managing Director and CEO, two are Whole Time Directors and one is an Alternate Director. Besides the above, there is one Non-Executive Non-Independent Director.

II. Appointment and Tenure:

→ The Directors of the Company are appointed by members at General Meetings and two-third Directors, other than Independent Directors are liable to retire by rotation pursuant to the provisions of the Companies Act, 2013. The Executive Directors on the Board serve in accordance with the terms of their contract of service with the Company.

III. Board Independence:

→ Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, all the Non-Executive – Independent Directors including the Chairman are independent in terms of SEBI (Listing and Obligation Disclosure Requirement), Regulation, 2015.

IV. Composition of Board, Directorships and attendance of each Director at the Board of Directors Meetings and at the last AGM, is as follows:

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM Attended	Directorships#	Number of Committee positions held in other listed Companies##	
						Chairman	Member
Mr. Hoshang N. Sinor	Chairman	Independent Director	5	YES	2	0	2
Mr. Humayun Dhanrajgir	Director	Independent Director	5	NO	2	1	2
Mr. Vijay Agarwal	Director	Independent Director	4	No	3	1	3
Mr. Hariharan Subramaniam	Director	Independent Director	4	NO	1	1	1
Mr. Rajneesh Anand	Director	Non-Executive	5	YES	1	0	0
Dr. Gabor Gulacsi*	Additional Director	Representing Promoter / Non-Executive	0	NO	1	0	0
Mr. Lajos Kovacs	Director	Representing Promoter / Non-Executive	2	NO	1	0	0
Dr. Dinesh S. Patel@	Executive Vice - Chairman	Promoter/ Executive Director	4	YES	2	0	0
Dr. Sachin D. Patel @	Managing Director and CEO	Promoter / Executive Director	5	YES	1	1	0
Mrs. Jayshree Dinesh Patel@	Whole time Director (Executive)	Representing Promoter / Non-Executive Director	4	YES	1	0	0
Mrs. Manjul Sandhu (w.e.f 11-11-2020)	Additional Director	Independent Director	2	NO	1	0	1
Mrs. Reena Sachin Patel*@	Alternate Director	Representing Promoter / Non-Executive Director	4	YES	1	0	0

NOTES:

1. **#**Includes only Listed Companies.
2. **##**No. of Committee positions (Chairmanship/Membership) held in other listed Companies is excluding Foreign, Private Ltd. and Section 8 Companies. Further only two Committees i.e., Audit Committee and Stakeholders Relationship Committee are considered as per Regulation 26 (1) (b) of the Regulations.
3. **@** Relatives as per provisions of Section 2(77) of The Companies Act, 2013.

- **Dates of Board Meetings held during the F.Y. 2020 -21**

  5 Board Meetings were held during the year on following dates:

1) 8th June, 2020
2) 14th August, 2020
3) 20th October,2020
4) 11th November, 2020
5) 12th February,2021

- **Risk Management**

  Risk Management is a process with methods and tools for managing risks. Business risks are regularly discussed in Board Meeting and risk mitigation strategies are implemented in the company.

- **Management Discussion and Analysis Report(MD and A)**

  The MD and A report forms part of the Annual Report.

V. Names of the listed entities where the person is a director and the category of directorship.

Name of the Director	Name of the listed entities and category of Directorship
Mr. Hoshang N. Sinor	Themis Medicare Limited, Non-Executive Independent Director, Chairman Cosmo Films Ltd, Non-Executive Independent Director
Mr. Humayun Dhanrajgir	Themis Medicare Limited, Non-Executive Independent Director Neuland Laboratories Limited, Non-Executive Independent Director
Mr. Vijay Agarwal	Themis Medicare Limited, Non-Executive Independent Director Gujarat Themis Biosyn Ltd, Non-Executive Independent Director Compuage Infocom Limited, Non-Executive Independent Director
Mr. Hariharan Subramaniam	Themis Medicare Limited, Non-Executive Independent Director
Mr. Rajneesh Anand	Themis Medicare Limited, Non-Executive Director
Dr. Gabor Gulacsi	Themis Medicare Limited, Representative of Foreign Promoter, Non-Executive Director
Mr. Lajos Kovacs	Themis Medicare Limited, Representative of Foreign Promoter, Non-Executive Director
Dr. Dinesh S. Patel	Themis Medicare Limited, Promoter, Executive Director Gujarat Themis Biosyn Ltd, Non Executive Director
Dr. Sachin D. Patel	Themis Medicare Limited, Promoter, Executive Director. Gujarat Themis Biosyn Ltd, Promoter, Non Executive Director
Mrs. Jayshree Dinesh Patel	Themis Medicare Limited, Promoter, Non-Executive Director
Mrs. Reena Sachin Patel	Themis Medicare Limited, Promoter, Non-Executive Director
Mrs. Manjul Sandu	Themis Medicare Limited, Promoter, Non-Executive Independent Director

VI. Matrix setting out the core skills/expertise/competence of the Board of Directors

The Board skill matrix provides a guide as to the core skills, expertise, competencies and other criteria (collectively referred to as 'skill sets') considered appropriate by the Board of the Company in the context of its business and sector(s) for it to function effectively and those actually available with the Board. The skill sets will keep on changing as the organization evolves and hence the Board may review the matrix from time to time to ensure that the composition of the skill sets remains aligned to the Company's strategic direction.

The skill sets identified by the Board along with availability assessment is as under:

Core Skills/Experience/Competence	Actual Availability with current board
Industry knowledge/experience	
Healthcare Industry Knowhow	Available
Creating value through Intellectual Property Rights	Available
Global Operations	Available
Value Spotting and Inorganic Growth	Available
Previous Board Experience on similarly sized or bigger companies	Available
Technical skills/experience	
Strategic planning	Available
Risk and compliance oversight	Available
Marketing	Available
Policy Development	Available
Accounting, Tax, Audit and Finance	Available
Legal	Available
Sales/ Customer Engagement	Available
Public Relations and Liasoning	Available
Information Technology	Available
Behavioural Competencies	
Integrity & ethical standards	Available
Mentoring abilities	Available
Interpersonal relations	Available

VII. Confirmation on the independence of the Independent Directors

The Board of Directors hereby confirms that in its their opinion, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are Independent of the Management.

VIII. Shareholdings of Non - Executive Directors in the Company as on 31st March, 2021:

Sr. No.	Name of Director	No. of Equity shares of Rs.10/- each held	% holding
1.	Mr. Hoshang N. Sinor	7100*	0.08
2.	Mr. Humayun Dhanrajgir	NIL	NIL
3.	Mr. Rajneesh Anand	7050	0.08
4.	Mr. Vijay Agarwal	NIL	NIL
5.	Mr. HariharanSubramaniam	NIL	NIL
6.	Dr. Gabor Gulacsi	NIL	NIL
7.	Mr. Lajos Kovacs	NIL	NIL
8.	Ms. Manjul Sandhu	NIL	NIL
9.	Mrs. Reena S. Patel (Alternate Director to Mr. Lajos Kovacs)	3,71,491	4.04
	TOTAL	**385641**	**4.20**

*2100 Shares held as second holder.

IX. Separate Meeting of Independent Directors:

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and the Listing Regulations, separate meeting of the Independent Directors of the Company was held once i.e. on 12th February 2021to inter alia review the performance of Non-independent Directors (including the Chairman) and the entire Board. At their meeting, the Directors reviewed the performance of Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors, assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

X. Familiarization Programme for Independent Directors:

All Directors inducted on the Board are introduced to our Company culture through appropriate orientation sessions. Presentations are made by Executive Directors and senior management to provide an overview of our operations, and to familiarize the new Non-Executive Directors with our operations. They are also introduced to our organization structure, our services, group structure and subsidiaries, constitution, Board procedures, matters reserved for the Boards and our major risks and management strategy. They seek to enable the Independent Directors to understand the business and strategy and leverage their expertise and experience to the maximum benefit of the Company. Details of programs conducted by the Company for the financial year 2020-21 are available on the website of the Company at http://www.themismedicare.com/wp-content/uploads/2015/08/Directors-Familiarisation-Programme.pdf

XI. Committees of the Board:

The Board Committees are set up to carry out clearly defined roles which are considered to be performed by members of the Board as a part of good Governance practice. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before Board Meetings for noting. The Board has currently established the following statutory and non-statutory Committees:

A. Audit and Risk Management Committee:

Pursuant to Regulation 21 of the Listing Regulations, the Company does not come in the list of entities which have to mandatorily constitute a Risk Management Committee. However the Board of Directors in their meeting held on 5th November, 2015 renamed the Audit Committee as Audit and Risk Management Committee to monitor and review risk management plan on regular basis.

The members of the Audit and Risk Management Committee have wide exposure and knowledge in area of Pharma business, finance and accounting. The terms of reference of the Audit and Risk Management Committee are in line with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Audit and Risk Management Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

The terms of reference of the Committee are briefly described below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Reviewing and monitoring the auditor's independence and performance.
4. Recommending to the Board, the appointment and remuneration of Cost Auditor.
5. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors
6. Reviewing, with the management, the annual financial statements and quarterly financial statements.
7. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and frequency of internal audit.
9. Discussing with Internal Auditors any significant findings and follow-up thereon.
10. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Approval or any subsequent modification of transactions of the Company with related parties.
15. To evaluate internal financial controls and risk managements systems.
16. Approval of appointment of CFO.

Composition:

The Company has already constituted an Audit and Risk Management Committee comprising 5 members out of which 4 are Independent Directors and 1 is an Executive Director.

Meetings:

During the period under consideration, 4 (Four) Meetings of the Committee were held as follows:

- 8th June, 2020
- 14th August, 2020
- 11th November, 2020
- 12th February, 2021

Audit and Risk Management Committee attendance during the year are as under:

Name	Status	No. of Meetings Attended
Mr. Humayun Dhanrajgir	Chairman	4
Mr. Hoshang N. Sinor	Member	4
Mr. Vijay Agarwal	Member	4
Mr. Hariharan Subramaniam	Member	4
Dr. Sachin D. Patel	Member	4

Invitees / Participants:

The Statutory, Internal and Cost Auditors are also invited to attend the meetings. The Company Secretary acted as Secretary to the Audit and Risk Management Committee.

B. NOMINATION and REMUNERATION COMMITTEE:

In terms of Section 178(1) of the Companies Act, 2013 and Regulation 19 of SEBI(Listing Obligation and Disclosure Requirement), Regulation, 2015, deals with the Nomination and Remuneration Committee ("NRC").

The role of Nomination and Remuneration Committee in brief is as follows:

(1) 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;

(2) Formulation of criteria for evaluation of performance of independent Directors and the Board of Directors;

(3) Devising a policy on diversity of Board of Directors;

(4) identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

(5) Whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of Independent Directors.

- **Composition:**

  Nomination and Remuneration Committee was re-constituted by the Board in its Board Meeting held on 14th November, 2019 with 3 Independent Directors and 1 Non Executive Non Independent Director.

  The Company Secretary acts as the Secretary to the Committee.

- **Meetings:**

  During the period under consideration, 3 (Three) Meetings of the Nomination and Remuneration Committee of the Company were held as follows:

  - 8th June, 2020
  - 11th November 2020
  - 12th February, 2021

- **Nomination and Remuneration Committee attendance during the year are as under:**

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	3
Mr. Humayun Dhanrajgir	Member	3
Mr. H. Subramaniam	Member	3
Mr. Rajneesh Anand	Member	3

- **Board Evaluation**

  The Nomination and Remuneration Committee specified the evaluation criteria for performance evaluation of Directors, Board and its Committees. The Board is committed for evaluating its own performance as a Board and individual performance of Directors, in order to identify strengths and areas in which it may improve functioning. Further, overall effectiveness of the Board shall be measured to decide the appointments, reappointments of Directors. The details of annual Board Evaluation process for Directors have been provided in the Board's Report.

  Following are the major criteria applied for performance evaluation —

  1. Attendance and contribution at Board and Committee meetings and application of his/her expertise, leadership qualities and knowledge to give overall strategic direction for enhancing the shareholder value.
  2. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
  3. His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls and systems in place, etc.
  4. Independent Directors performance is evaluated also based on his/her help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct and his/her ability to bring an objective view in the evaluation of the performance of the Board and management.

     The Company had provided facility of performance evaluation to Directors on online platform for convenience of the Board members.

  Retirement Policy for Directors of the Company:

  The age of retirement for all Executive Directors is 70 years as per Companies Act, 2013 requirements. The Nomination and Remuneration Committee may, at its discretion and subject to shareholders' approval, determine their continuation as members of the Board upon superannuation/retirement.

  The term of retirement for Non-Executive Directors and independent Directors is as per the Companies Act, 2013 requirements.

C. Remuneration of Directors:

a. Pecuniary relationship or transactions of the non-executive Directors.

   The Company has no pecuniary relationship or transaction with its Non-Executive and Independent Directors other than payment of sitting fees to them for attending Board and Committee meetings and fees for rendering services in their professional capacity.

   Non-Executive Directors are paid **Rs. 40,000/-** for attending each Board and Audit and Risk Management Committee Meetings.

b. Criteria of making payments to non-executive Directors.

   Criteria of making payments to Non-Executive Directors is disclosed and the same is available on http://www.themismedicare.com/wp-content/uploads/2016/05/Criteria-Of-Making-Payments-To-Non-Executive-Directors.pdf

c. Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:

   i. The Executive Directors are paid Salaries permissible under the provisions of the Companies Act, 2013 and Schedule V therein.

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

iii. Service contracts, notice period, severance fees: For Executive Directors service contract is normally 5 years, renewable at the discretion of Board. Notice period is 90 days from either side.

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

The details of Remuneration and Sitting Fees paid to Executive and Non-Executive Directors for the year 2020-21 are as follows:

(In ₹)

Sr. No.	Name of Director	Salary	Perquisites	Sitting Fees	Total
1.	Mr. Hoshang N. Sinor	NA	NA	360000	360000
2.	Mr. Humayun Dhanrajgir	NA	NA	360000	360000
3.	Mr. Rajneesh Anand	NA	NA	200000	200000
4.	Mr. Vijay Agarwal	NA	NA	320000	320000
5.	Mr. Hariharan Subramaniam	NA	NA	320000	320000
6.	Mrs. Jayshree Dinesh Patel	49,39,200	NA	0	49,39,200
7.	Mrs. Reena Sachin Patel	NA	NA	0	0
8.	Dr. Gabor Gulacsi	NA	NA	0	0
9.	Mr. Lajos Kovacs	NA	NA	0	0
10.	Dr. Sachin D. Patel	67,03,200	NA	NA	67,03,200
11.	Dr. Dinesh S. Patel	73,16,000	NA	NA	73,16,000
12.	Ms. Manjul Sandhu	NA	NA	80000	80000

Note: 1) Gratuity is included in computation of remuneration paid to Executive Directors.
2) Mrs. Reena S. Patel is paid remuneration as a Whole Time employee.

D. STAKEHOLDERS RELATIONSHIP COMMITTEE

- **Composition:**

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act. Stakeholders Relationship Committee has been constituted to monitor and review investors' grievances.

The Company Secretary acts as Compliance Officer for redressalof Shareholders/ Investors' grievances.

- **Meetings:**

The broad terms of reference of the Stakeholders' Relationship Committee are as under:

→ Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.

→ Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc

A Stakeholders Relationship Committee meeting of the Company was held on 08th June, 2020 during the year 2020-21

- **The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:**

Sr. No.	Name	Status	No. of Meetings Attended
1.	Mr. H. Subramaniam	Chairman	1
2.	Mr. Rajneesh Anand	Member	1
3.	Dr. Sachin D. Patel	Member	1

- **Name, designation and address of Compliance Officer:**

  Mr. Sangameshwar R. Iyer, Company Secretary.

  Themis Medicare Ltd.

  11/12 Udyog Nagar,

  S.V. Road, Goregaon (West),

  Mumbai - 400 104.

- **Details of investor complaints received and redressed during the year 2020- 21 are as follows:**

Number of shareholders' complaints received	Number not solved to the satisfaction of shareholders	Number of pending complaints
NIL	NIL	NIL

Code of Conduct

Whilst the Themis Code of Conduct is applicable to the Whole-time Directors and employees of the Company, the Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) 2015, both of which are available on the Company's website.

All the Board members and Senior Management of the Company as on 31st March, 2021 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Managing Director, forms part of this report.

XII. General Body Meetings:

The details of the last three Annual / Extraordinary General Meetings are as follows:

AGM/ EGM	Date and Time	Location	Special Resolution
48th AGM	07.09.2018 at 10.30 am	Registered Office	Revision in Remuneration payable to Mrs. Jayshree D. Patel (DIN: 00033316) as a Whole-Time Director, Continuation of Mr. Humayun Dhanrajgir (DIN: 00004006) as an Independent Director of the Company who has attained the age of Seventy-five years.
49th AGM	27.08.2019 At 10.30 am	Registered Office	Re-appointment of Mr. Hoshang Sinor (DIN: 00074905) as an Independent Director for a second term of three consecutive years, in terms of Section 149 of the Companies Act, 2013.
			Re-appointment of Mr. Humayun Dhanrajgir (DIN: 00004006) as an Independent Director for a second term of two consecutive years, in terms of Section 149 of the Companies Act, 2013
			Re-appointment of Mr. Vijay Agarwal (DIN: 00058548) as an Independent Director for a second term of four consecutive years, in terms of Section 149 of the Companies Act, 2013
			Re-appointment of Mr. Hariharan Subramaniam (DIN: 00162200) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.
			Restructuring of existing Remuneration payable to Dr. Dinesh S. Patel (DIN: 00033273) as a Whole-Time Director designated as "Executive Vice Chairman".
			Restructuring of existing Remuneration payable to Mrs. Jayshree D. Patel (DIN: 00033316) as a Whole-Time Director.
			Restructuring of existing Remuneration payable to Dr. Sachin D. Patel (DIN: 00033353) as Managing Director & CEO.

50th AGM	28.09.2020 At 12:00 Noon	Held Through Video Conference	Corporate Guarantee on behalf of Themis Distributors Private Limited in favour of Union Bank of India and for taking all actions in connection with any Loan/banking facilities availed of / to be availed of by Themis Distributors Private Limited of an aggregate outstanding amount not exceeding Rs. 45 Crores (Rupees Forty five Crores only)

- Whether any Special Resolution passed last year through postal ballot – details of voting pattern: **NA**
- Whether any Special Resolution is proposed to be conducted through postal ballot : **NA**
- Procedure for Postal Ballot: **NA**

XIII. Means of Communication:

The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, Annual Report, media releases, Company's website and subject specific communications.

(a) The Quarterly, Half yearly and Annual results were published in widely circulated news papers viz, Indian Express (in English Language) and Financial Express (in Gujarati Language).

(b) All the data related to quarterly, half yearly and Annual Financial Results, Shareholding Pattern, News release etc. is provided on the website - www.themismedicare.com/investors/reports

(c) The Quarterly Results, Shareholding Pattern and all other Corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites.

(d) During the financial year, the Company has not made presentation to the institutional investors / analysts.

XIV. General Shareholders Information:

Annual General Meeting Date and Time	:	In September, 2021. Date will be mentioned in Notice of AGM.
Venue	:	Through Video Conferencing ('VC") / Other Audio Visual Means ("OAVM")
Financial Calendar (Tentative)	:	April to March
Results for the Quarter ending (With Limited Review by the Statutory Auditors)	:	
First Quarter Results		On or before 14th August, 2021
Half yearly Results		On or before 14th November, 2021
Third Quarter Results		On or before 14th February, 2022
Audited Results for the year		On or before 30th May, 2022
Dates of Book Closure/ Record Date	:	Book closure will be 8 days before the date of AGM inclusive of AGM. Dates will be mentioned in Notice of AGM.
Listing on Stock Exchanges at	:	**BSE Limited.** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
	:	**National Stock Exchange of India Ltd.** Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.
Listing Fees paid for 2020-21	:	The Company has paid listing fees to the above Stock Exchanges for the financial year 2020-21.

Stock Code		
Bombay Stock Exchange, Mumbai	:	530199
National Stock Exchange, Mumbai	:	THEMISMED
DEMAT ISIN Number for NSDL and CDSL	:	INE083B01016
Websites	:	www.bseindia.com www.nseindia.com

XV. Market Price Data and Performance in comparison to BSE Sensex

High/low of market price of the Company's shares traded on Bombay Stock Exchange, Mumbai and National Stock Exchange, Mumbai during the financial year 2020-21 is furnished below:

STOCK PRICE and BSE SENSEX DATA						
MONTH	BSE Limited , MUMBAI			NATIONAL STOCK EXCHANGE OF INDIA LIMITED		
	HIGH PRICE	LOW PRICE	MONTHLY VOLUME (NOS.)	HIGH PRICE	LOW PRICE	MONTHLY VOLUME (NOS.)
Apr-20	346.25	232.00	11,577	357.80	228.65	41,280
May-20	340.00	300.00	4,952	350.00	286.65	28,422
Jun-20	375.40	295.35	24,705	371.85	290.00	1,87,141
Jul-20	413.00	334.25	54,959	412.50	310	1,02,783
Aug-20	424.00	371.75	26,478	421.00	361.00	2,40,091
Sep-20	375.70	278.05	82,519	372.85	275.25	5,55,804
Oct-20	422.00	310.00	48,399	422.90	319.90	5,10,112
Nov-20	384.00	303.95	41,637	377.50	305.10	4,62,732
Dec-20	398.15	335.00	49,229	398.80	320.00	4,07,317
Jan-21	366.95	314.00	74,767	367.70	315.60	2,44,641
Feb-21	365.00	305.05	50,933	360.25	301.00	2,96,525
Mar-21	325.00	271.70	41,240	321.00	276.00	2,30,553

XVI. Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Share transmission requests are approved by the Stakeholders Relationship Committee, which normally meets as and when required.

XVII. Distribution of Equity Shareholding:

As on 31st March, 2021						
Holding of shares (In Nos)			**No. of Shareholders**	**% of Shareholders**	**Shares**	**% of Shareholders**
1	to	5000	5362	89.3667	532865	5.580
5001	to	10000	277	4.6167	218300	2.38
10001	to	20000	160	2.6667	232339	2.53
20001	to	30000	57	0.9500	145595	1.58
30001	to	40000	32	0.5333	115070	1.25
40001	to	50000	20	0.3333	91245	0.99
50001	to	100000	47	0.7833	333932	3.63
100001	&	Above	45	0.7500	7519108	81.83
Total			**6000**	**100**	**9188454**	**100**

Dematerialisation of shares	:	9053546 Shares i.e. 98.53% of the paid-up capital has been dematerialized as on 31.03.2021.
Outstanding GDRs / ADRs / Warrants or any Convertible instruments conversion date and Likely impact of equity.	:	Not Applicable
Commodity price risk or foreign exchange risk and hedging activities;	:	Not Applicable
Plant Locations	:	**Vapi Plant** Plot no. 69A, G.I.D.C. Vapi – 396 195, Dist. Valsad, Gujarat
	:	**Hyderabad Plant** Plot no. 1 and 5, Industrial Development Area, Jeedimatla, Hyderabad – 500 855.
	:	**Haridwar Plant** Sector 6-A, Plot no.16, 17 and 18, IIE, BHEL, Haridwar-249 403
Address for Correspondence	:	Secretarial Department, Themis Medicare Ltd. 11/12 Udyog Nagar, S.V. Road, Goregaon (West), Mumbai-400 104. Tel No: 91-22-67607080 | Fax No. 91-22-67607019
Contact person for Investors Complaints	:	Mr. Sangameshwar R. Iyer Company Secretary E-mail: sangameshwar.iyer@themismedicare.com
Registrar and Share Transfer Agent	:	Link Intime India Pvt. Ltd. C 101, 247 Park, L.B.S. Marg, Vikhroli (West),Mumbai, Maharashtra,400083 Tel : +91 22 49186270 Fax : +91 22 49186060 E-mail: rnt.helpdesk@linkintime.co.in Web site: www.linkintime.co.in

XVIII. Other Disclosures:

a) Materially significant related party transactions:

The related party transactions, if in case of our Company are materially significant, require Members' approval. However, the Management, Audit& Risk Management Committee and the Board ensure such transactions are at arm's length.

The policy on related party transactions as approved by the Board is uploaded on the Company's website and the link for the same is http://www.themismedicare.com/wp-content/uploads/2015/08/Related-Party-Policy.pdf

b) Disclosure of Pending Cases/Instances of Non Compliance

There was a delay in compliance relating to appointment of Independent Women Director. BSE and NSE had levied fine on the Company for the period April 1, 2020 to November 10, 2020. Company has appointed Mrs. Manjul Sadhu as Additional Woman Independent Director w.e.f. 11th November, 2020. The Company represented to the exchanges expressing its difficulties due to COVID-19 and other factors and sought a waiver of the fine. The decisions of the exchanges are awaited.

Except for what is stated above, there were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

c) Whistle Blower Policy/ Vigil Mechanism

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit& Risk Management Committee.

d) Mandatory Requirements

The Company has complied with all mandatory requirements of Corporate Governance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has also followed non-mandatory requirements as stated below.

e) Non-Mandatory Requirements

i. The Company maintains Non-Executive Chairman's office at its own expense. The Company from time to time reimburses/pays the expenses in relation to the Chairman's office in connection with performance of his duties as Chairman of the Company.

ii. Shareholder Rights – Half yearly results

As the Company's half yearly results are published in English newspapers having a circulation all over India and in a Gujarati newspaper (having a circulation in Gujarat), the same are not sent to the shareholders of the Company but hosted on the website of the Company.

iii. Audit Qualification

There are no qualifications contained in the Audit Report.

iv. Separate Posts of Chairman and Managing Director and CEO.

The Chairman of the Board is an Independent Non-executive Director and his position is separate from that of the Managing Director and CEO.

v. Reporting of Internal Auditors

The Internal Auditors of the Company report to the Audit& Committee and make detailed presentation / discussion at quarterly meetings.

vi. The Company has framed a policy for determining "material" subsidiary. However, the Company does not have any material subsidiary as of the close of the financial year.

vii. The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities.

viii. Instances of not accepting any recommendation of the Committee by the Board: There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

ix. Certificate from Practising Company Secretaries: The Company has received a certificate from M/s. KRS & Co., Practising Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs/Reserve Bank of India or any such statutory authority.

x. The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors of the Company is mentioned in Notes to financial statements. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

xi. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year, no complaint was received by the Company.

xii. There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the Listing Regulations.

xiii. Disclosure of the Compliance with Corporate Governance Requirements the Company has complied with provisions of Regulations 17 to 27 and clauses (b) to (i) of sub- regulation (2) of regulation 46.

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

I, Dr. Sachin D. Patel, Managing Director and CEO of Themis Medicare Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Schedule V(D) of the SEBI(Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2021.

For **Themis Medicare Limited**

SD/-

Dr. Sachin D. Patel
Managing Director & CEO

Place: Mumbai
Date: 27th May, 2021

Certificate on Corporate Governance

The Members,
Themis Medicare Ltd.

I have examined the compliance of conditions of Corporate Governance by Themis Medicare Limited ("the Company") for the year ended on 31st March 2021, as stipulated as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in regulation 15(2) of the Listing Regulations for the year ended 31st March 2021.

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

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

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

For **KRS AND CO**
Practicing Company Secretaries

SD/-
Mr. Ketan R Shirwadkar
Proprietor
ACS No. 37829
COP No. 15386

Place: Mumbai
Date: 27th May, 2021

CEO-CFO Certificate

To,
The Board of Directors
Themis Medicare Limited,

We, the undersigned, in our respective capacities as Managing Director and Chief Executive Officer and (Chief Financial Officer of Themis Medicare Limited ("the Company"), to the best of our knowledge and belief certify that:

(a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March 2021 and based on our knowledge and belief, we state that:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain any 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 the existing accounting standards, applicable laws and regulations.

(b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of 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, based on our most recent evaluation, wherever applicable, to the Auditors and Audit & Risk Management Committee:

(i) Significant changes, if any, in the internal control over financial reporting during the year;

(ii) Significant changes, if any, in the accounting policies made during the year and that the same has 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 significant role in the Company's internal control system over financial reporting.

For **Themis Medicare Ltd.**

SD/-
Dr. Sachin D. Patel
Managing Director & CEO

For **Themis Medicare Ltd.**

SD/-
Mr. Tushar Dalal
Chief Financial Officer (CFO)

Independent Auditors' Report

To the members of **Themis Medicare Limited**
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Themis Medicare Limited** (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group") which includes the Group's net share of loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, 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 Companies (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, 2021, and 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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 to be communicated in our report.

Key Audit Matters	How was the matter addressed in our Audit
Revenue Recognition – the Parent: The company has numerous customers from different geographics and having different terms of engagement and conditions relating to Revenue recognition, the right of return, variable consideration and price adjustments.	**Our Audit Procedure Included:** We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included goods dispatch notes and shipping documents. We inspected, on a sample basis, key customer contracts to identify terms and conditions relating to goods acceptance and rebates and assessing the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards.
Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.	We assessed the appropriateness of the revenue recognition accounting policies, including those relating to rebates and discounts by comparing with applicable accounting standards.
Revenue is measured at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. The Parent recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.	Our opinion is not modified in respect of this matter.

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

- The Parent's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint ventures audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and 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. Other information so far as it relates to the subsidiaries and joint ventures is traced from their financial statements audited by the other auditors.
- If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements 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 including its associates and joint ventures 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 and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor’s Responsibility 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 judgement and maintain professional skepticism throughout the audit. We also:

- 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.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures 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 Group and its associates and joint ventures to cease to continue as a going concern.
- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such business activities included in the consolidated financial statements of which we are the independent auditors. For the business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits 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, makes 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 Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 one out of three subsidiaries whose financial statements reflect total assets of Rs. 1.01 lakh and total revenues of Rs. Nil and Rs. Nil for the quarter and year ended March 31, 2021 respectively, total net Loss after tax of Rs.35.41 Lakh and Rs.39.02 Lakh for the quarter and year ended March 31, 2021 respectively and total comprehensive income of Rs. (10.32) Lakh and Rs. (22.05) Lakh for the quarter and year ended March 31, 2021 respectively and net cash Inflow amounting to Rs. Nil for the year ended March 31, 2021, as considered in the Statement.
- We did not review the financial results of 2 associate & 1 Joint Venture included in the consolidated financial statements, whose financial statements reflect net profit (total comprehensive income after tax) of Rs.159.29 Lakh and Rs. 947.47 Lakh (represents Group's share) for the quarter and year ended March 31, 2021 respectively. These financial statements have been reviewed by other auditor whose review report has been furnished to us by the Company's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the associate & Joint Venture, is based solely on the report of the other auditor and our opinion is based solely on the report of such other auditor.
- One subsidiary which is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles, generally accepted in the country and which have been audited by other auditor under generally accepted auditing standards applicable in the country. The Company’s management has converted the financial statement of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company’s management. Our opinion in so far as it relates to the balances and affair of such subsidiary located outside India is based on the report of the other auditor and the conversion adjustments prepared by the management of the Company and audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and joint ventures referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated 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, returns 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 Flow dealt with by this Report are in agreement with the relevant books of account 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.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

   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 Parent 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India.

For **R. P. Sardar & Co.**
Chartered accountants
(Firm's Registration No.-109273W)

Place: Mumbai
Date: 27th May, 2021
UDIN: 21037845AAAAKB4445

Raju P. Sardar
(Proprietor)
(Membership No. 037845)

Annexure - A to the independent Auditors' Report

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

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

1. In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting of **THEMIS MEDICARE LIMITED**, (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the "Internal control over financial reporting criteria established by the Company considering the essential component 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 respective 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 Act.

Auditors' Responsibility

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, its associate companies and jointly controlled companies.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

   (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

   (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us the Company its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India.

For **R. P. Sardar & Co.**
Chartered accountants
(Firm's Registration No.-109273W)

Raju P. Sardar
(Proprietor)
(Membership No. 037845)

Place: Mumbai
Date: 27th May, 2021
UDIN: 21037845AAAAKB4445

Consolidated Balance Sheet as at 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	March 31, 2021	March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	12,975.00	11,438.80
(b) Capital Work-in-Progress	4	247.21	753.69
(c) Right-of-use Assets	4 (a)	214.37	49.91
(d) Intangible Assets	5	120.72	142.56
(e) Investments accounted for using the equity method	6	4,476.21	3,529.45
(f) Financial Assets			
(i) Investments	6A	19.65	17.78
(ii) Other Financial Assets	6A	28.13	30.74
(g) Deferred Tax Asset (Net)	12	-	457.24
(h) Other Non-Current Assets	11	485.77	522.04
		18,567.06	**16,942.21**
Current assets			
(a) Inventories	7	5,849.44	5,460.89
(b) Financial Assets			
(i) Trade Receivables	8	7,760.94	10,248.44
(ii) Cash and Cash Equivalents	9	1,901.80	334.15
(iii) Bank Balances Other than (ii) above	10	561.55	195.33
(iv) Other Financial Assets	6A	531.97	485.37
(c) Other Current Assets	11	1,941.25	1,324.95
		18,546.95	**18,049.13**
Total		**37,114.01**	**34,991.34**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	918.85	918.80
(b) Other Equity	14	20,931.83	17,383.65
Equity attributable to equity holders of the parent		**21,850.68**	**18,302.45**
Non Controlling Interest		**(0.06)**	**(0.05)**
Total Equity		**21,850.62**	**18,302.40**
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2,219.70	1,185.45
(ii) Lease Liabilities	15(a)	118.25	22.47
(b) Provisions	19	-	-
(c) Deferred Tax liabilities (Net)	12	94.83	-
		2,432.78	**1,207.92**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	5,692.78	7,661.33
(ii) Lease Liabilities	15(a)	84.31	35.49
(iii) Trade Payables	17		
Total outstanding dues of Micro enterprises and Small enterprises		37.94	109.49
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,041.25	2,858.82
(iv) Other Financial Liabilities	16	2,841.94	4,620.82
(b) Other Current Liabilities	18	983.09	29.24
(c) Provisions	19	149.30	165.83
		12,830.61	**15,481.02**
Total		**37,114.01**	**34,991.34**
Significant Accounting Policies and Notes Forming Part of the Financial Statements	**1 to 44**		

As per our report of even date attached
For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Hoshang Sinor
Chairman
(DIN: 00074905)

Tushar J. Dalal
Chief Financial Officer

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	2020-21	2019-20
REVENUE			
Revenue from operations (net)	20	23,066.98	20,158.83
Other income	21	362.21	346.49
Total Revenue (I)		**23,429.19**	**20,505.32**
EXPENSES			
Cost of materials consumed	22	6,792.42	5,137.60
Purchases of stock-in-trade	23	1,155.45	1,529.86
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	24	(90.29)	(349.16)
Employee benefits expense	25	3,998.98	4,427.51
Finance costs	26	1,271.25	1,288.04
Depreciation and amortization expense	27	854.71	827.20
Other expenses	28	6,261.07	5,847.35
Total Expenses (II)		**20,243.59**	**18,708.40**
Profit/(loss) before share of profit/(loss) of an associate and a joint venture, exceptional items and tax(I-II)		**3,185.60**	**1,796.92**
Share of profit/(loss) of an associate and a joint venture		947.47	890.54
Profit / (loss) before exceptional items and tax		**4,133.07**	**2,687.46**
Exceptional Items		-	-
Profit / (loss) before tax		**4,133.07**	**2,687.46**
Tax expense:			
Current tax		-	-
Adjustment of tax relating to earlier periods		-	-
Deferred tax		562.78	209.30
Profit / (Loss) for the period		**3,570.29**	**2,478.16**
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		(42.56)	(11.17)
Income tax effect		10.71	2.81
Share of Other Comprehensive Income of Associates and Joint Ventures accounted using equity method		(0.71)	0.02
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:		-	-
Exchange differences in translating the financial statements of a foreign operation		(8.15)	1.21
Other Comprehensive income for the year, net of tax		**(40.71)**	**(7.13)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**3,529.58**	**2,471.03**
Total comprehensive income for the year, net of tax attributable to:			
Profit for the year attributable to:			
Equity holders of the parent		3,570.30	2,478.17
Non-controlling interests		(0.01)	(0.01)
Other comprehensive income for the year attributable to:			
Equity holders of the parent		(40.71)	(7.13)
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Equity holders of the parent		3,529.59	2,471.04
Non-controlling interests		(0.01)	(0.01)
Earnings per share for profit attributable to equity shareholders	30		
Basic EPS		38.86	26.97
Diluted EPS		38.84	26.97

Significant Accounting Policies and Notes Forming Part of the Financial Statements 1 to 44

As per our report of even date attached
For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Hoshang Sinor
Chairman
(DIN: 00074905)

Tushar J. Dalal
Chief Financial Officer

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)

Consolidated Statement of Cash Flows for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	2020-21	2019-20
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax :	**4,133.07**	**2,687.46**
Adjustments for:		
Depreciation and amortisation expense	854.71	827.20
(Profit) / Loss on sale of property, plant and equipment	(2.26)	0.80
Changes in fair value of financial instruments at fair value through profit or loss	(1.88)	7.11
Dividend and interest income classified as investing cash flows	(234.01)	(30.38)
Finance costs	1,096.57	1,107.20
Reversal of loss allowance on financial assets	-	(88.37)
Share of (profit) Loss from joint ventures and associates	(946.75)	(890.57)
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	2,487.49	(2,869.33)
(Increase)/Decrease in inventories	(388.55)	(97.41)
Increase/(decrease) in trade payables	110.88	(535.70)
(Increase)/decrease in other financial assets	(43.99)	(83.29)
(Increase)/decrease in other assets	(616.29)	255.02
Increase/(decrease) in provisions	(30.52)	46.49
(Increase)/Decrease in Other bank balance	(366.22)	(25.73)
Increase/(decrease) in Other financial liabilities	(1,316.29)	(73.43)
Increase/(decrease) in other liabilities	953.85	(180.10)
Cash generated from operations	**5,689.81**	**57.00**
Less: (Income taxes paid)/ refund received (Net)	7.70	(24.18)
Net cash inflow from operating activities	**5,697.51**	**32.82**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(1,803.88)	(580.65)
Proceeds from sale of property, plant and equipment	4.75	3.65
Dividends received	192.80	0.00
Interest received	41.21	30.37
Net cash outflow from investing activities	**(1,565.12)**	**(546.62)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issues of shares	1.55	23.60
Proceeds from current borrowings (Net)	(1,968.55)	975.82
Repayment of non Current borrowings	725.69	780.26
Repayment of lease liabilities	(66.07)	-
Interest paid	(1,096.57)	(1,107.20)
Dividends paid	(160.79)	
Net cash inflow (outflow) from financing activities	**(2,564.74)**	**672.49**
Net increase (decrease) in cash and cash equivalents	1,567.65	158.68
Cash and Cash Equivalents at the beginning of the financial year	334.15	175.47
Cash and Cash Equivalents at end of the year	**1,901.80**	**334.15**
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks on current accounts	1,897.29	330.47
Cash on hand	4.51	3.68
Balances as per statement of cash flows	**1,901.80**	**334.15**

Significant Accounting Policies and Notes Forming Part of the Financial Statements **1 to 44**

As per our report of even date attached
For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Tushar J. Dalal
Chief Financial Officer

Hoshang Sinor
Chairman
(DIN: 00074905)

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

A EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2020			
Numbers	91,80,942	7,050	**91,87,992**
Amount	918.09	0.71	**918.80**
March 31, 2021			
Numbers	91,87,992	462.00	**91,88,454**
Amount	918.80	0.05	**918.85**

B OTHER EQUITY

Particulars	Reserves and Surplus									
	Capital Reserve	Securities Premium	General Reserve	Share Based Payment Reserve	Retained Earnings	Property, Plant and Equipment Reserve	Exchange differences on translating the financial statements of a foreign operation	Total other equity attributable to parent	Non Controlling Interest	Total other equity
As at March 31, 2019	**30.00**	**3,481.68**	**6,733.76**	**59.67**	**1,048.10**	**3,537.24**	**0.46**	**14,890.93**	**(1.75)**	**14,889.18**
Profit for the period	-	-	-	-	2,478.17	-	-	**2,478.17**	**(0.01)**	**2,478.16**
Other comprehensive income	-	-	-	-	(8.34)	-	1.21	**(7.13)**	-	**(7.13)**
Total comprehensive income for the year	30.00	3,481.68	6,733.76	59.67	3,517.93	3,537.24	1.67	**17,361.97**	(1.76)	**17,360.21**
Equity shares	-	22.89	-	-	-	-	-	**22.89**	-	**22.89**
Share based payments (Employee Stock Option)	-	-	-	(10.94)	10.94	-	-	-	-	-
Transfer from PPE to Retained Earning	-	-	-	-	40.02	(40.02)	-	-	-	-
Ind AS 116 implementation (Lease Assets)	-	-	-	-	**(8.72)**	-	-	**(8.72)**	-	**(8.72)**
Others	-	-	-	-	5.22	-	2.31	**7.53**	**1.71**	**9.24**
As at March 31, 2020	**30.00**	**3,504.57**	**6,733.76**	**48.73**	**3,565.39**	**3,497.22**	**3.98**	**17,383.65**	**(0.05)**	**17,383.60**
Profit for the period	-	-	-	-	3,570.30	-	-	**3,570.30**	**(0.01)**	**3,570.29**
Other comprehensive income	-	-	-	-	(32.56)	-	(8.15)	**(40.71)**	-	**(40.71)**
Total comprehensive income for the year	30.00	3,504.57	6,733.76	48.73	7,103.13	3,497.22	(4.17)	**20,913.24**	(0.06)	**20,913.18**
Equity shares	-	1.50	-	-	-	-	-	**1.50**	-	**1.50**
Share based payments (Employee Stock Option)	-	-	-	(12.18)	12.18	-	-	-	-	-
Transfer from PPE to Retained Earning	-	-	-	-	**40.02**	**(40.02)**	-	-	-	-
Dividend	-	-	-	-	**(160.79)**	-	-	**(160.79)**	-	**(160.79)**
Ind AS Fair Valuation (FCL)	-	-	-	-	**177.87**	-	-	**177.87**	-	**177.87**
Ind AS 116 implementation (Lease Assets)	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	0.01	**0.01**	-	**0.01**
As at March 31, 2021	**30.00**	**3,506.07**	**6,733.76**	**36.55**	**7,172.41**	**3,457.20**	**(4.16)**	**20,931.83**	**(0.06)**	**20,931.77**

Significant Accounting Policies and Notes Forming Part of the Financial Statements **1 to 44**

As per our report of even date attached

For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Tushar J. Dalal
Chief Financial Officer

Hoshang Sinor
Chairman
(DIN: 00074905)

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

1 Corporate Information

These statements comprise consolidated financial statements of Themis Medicare limited (CIN: L24110GJ1969PLC001590) (the 'Holding Company') and its subsidiaries, associates and joint ventures (collectively, the 'Group' or the "Company') for the year ended March 31, 2021. The Holding company is a public company domiciled in India and is incorporated on May 31, 1969 under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Plot No 69A, G.I.D.C Industrial Estate, Vapi district Valsad, Gujarat -396 195.

The Group is principally engaged in the activities pertaining to manufacturing of pharmaceutical products, especially in Formulation and API activity.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2021.

2 Significant Accounting Policies

2.1 Basis of preparation

The consolidated financial statements of the group have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies(Indian Accounting Standards)(Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act").

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification(refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations, and
- Long term borrowings, except obligations under finance leases, are measured at amortised cost using the effective interest rate method.

  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.

2.2 Summary of significant accounting policies

(a) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. InterGroup transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has investment in joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see(iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in below.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on straight line basis using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold land is amortised on a straight line basis over the balance period of lease.

The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(c) Intangible assets

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Losses arising from retirement and gains or losses arising from disposal 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.

Amortisation methods and periods

Intangible assets comprising of trade marks are amortized on a straight line basis over the useful life of ten years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

(d) Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

(e) Impairment of non financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(f) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(iii) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(g) Financial Instruments

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

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

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

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

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

(i) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Group recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Derivative financial instruments

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.

(h) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received.

(i) Convertible financial instrument

Convertible instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible instrument based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

(j) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum alternate Tax

MAT payable for a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probability that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as 'MAT Credit Entitlement' under Deferred Tax. The Company reviews the same at each reporting date and writes down the asset to the extent the Company does not have probable certainty that it will pay normal tax during the specified period.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(l) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

(ii) Interest income

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).

(iii) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans viz gratuity,

(b) defined contribution plans viz provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

(v) Share-based payments

Share-based compensation benefits are provided to employees via the Employee Option Plan.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Employee options

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions, and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(n) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(p) Borrowing costs

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

(q) Segment Reporting - Identification of Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(r) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(t) Non-current assets (or disposal groups) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated.

(u) Current/non current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- 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 Group classifies all other liabilities as non-current.

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

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.

(v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

3 Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

(i) Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

(ii) Estimation of net realizable value for inventories

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(iii) Impairment of non - financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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.

(iv) Recoverability of trade receivables

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

(v) Useful lives of property, plant and equipment/intangible assets

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

(vi) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

(vii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These 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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Electric Installations	Capital Work in Progress	Total
GROSS CARRYING VALUE										
As at April 1, 2019	3,357.12	2,796.32	1,848.60	5,850.38	264.43	156.26	20.30	82.80	245.49	14,621.70
Additions	-	-	1.79	31.21	7.66	-	0.19	-	508.20	549.05
Disposals	-	-	-	-	-	(14.58)	-	-	-	(14.58)
Other Adjustments	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	**3,357.12**	**2,796.32**	**1,850.39**	**5,881.59**	**272.09**	**141.68**	**20.49**	**82.80**	**753.69**	**15,156.17**
Additions	-	-	6.38	1,623.73	463.09	105.39	1.33	110.44	-	2,310.36
Disposals	-	-	-	21.75	-	4.21	-	-	506.48	532.44
Other Adjustments	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**3,357.12**	**2,796.32**	**1,856.77**	**7,483.57**	**735.18**	**242.86**	**21.82**	**193.24**	**247.21**	**16,934.09**
ACCUMULATED DEPRECIATION/IMPAIRMENT										
As at April 1, 2019	-	143.70	190.63	1,683.39	99.01	46.87	9.67	26.77	-	2,200.04
Depreciation for the year	-	47.90	69.92	599.14	30.18	16.32	2.64	7.66	-	773.76
Disposals	-	-	-	-	-	(10.12)	-	-	-	(10.12)
As at March 31, 2020	**-**	**191.60**	**260.55**	**2,282.53**	**129.19**	**53.07**	**12.31**	**34.43**	**-**	**2,963.68**
Depreciation for the year	-	47.90	70.05	599.11	27.59	16.94	2.39	7.69	-	771.67
Disposals		-	-	19.47	-	4.00	-	-	-	23.47
As at March 31, 2021	**-**	**239.50**	**330.60**	**2,862.17**	**156.78**	**66.01**	**14.70**	**42.12**	**-**	**3,711.88**
Net Carrying value as at March 31, 2021	**3,357.12**	**2,556.82**	**1,526.17**	**4,621.40**	**578.40**	**176.85**	**7.12**	**151.12**	**247.21**	**13,222.21**
Net Carrying value as at March 31, 2020	**3,357.12**	**2,604.72**	**1,589.84**	**3,599.06**	**142.90**	**88.61**	**8.18**	**48.37**	**753.69**	**12,192.49**

4 (a) RIGHT - OF - USE ASSETS

Particulars	ROU	Total
GROSS CARRYING VALUE		
As at April 1, 2019	-	-
Impact of adoption of Ind AS 116		
Additions	81.51	81.51
As at March 31, 2020	81.51	81.51
Additions	225.66	225.66
As at March 31, 2021	307.17	307.17
ACCUMULATED DEPRECIATION/IMPAIRMENT		
As at April 1, 2019	-	-
Depreciation for the year	31.60	31.60
As at March 31, 2020	31.60	31.60
Depreciation for the year	61.20	61.20
As at March 31, 2021	92.80	92.80
Net Carrying value as at March 31, 2021	**214.37**	**214.37**
Net Carrying value as at March 31, 2020	**49.91**	**49.91**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Notes:

i. Leased Assets

Property, Plant and Equipment includes the following amounts where the company is a lessee under finance lease:

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Land		
Cost	2,796.32	2,796.32
Accumulated Depreciation	(239.50)	(191.60)
Net carrying amount	**2,556.82**	**2,604.72**
Vehicles		
Cost	133.56	90.68
Accumulated Depreciation	(8.01)	(48.55)
Net carrying amount	**125.55**	**42.13**

The company has entered into long-term leasing arrangements for land with government authorities which are in the nature of finance lease. These arrangements do not involve any material recurring payments, hence other disclosures are not given.

The lease term in respect of vehicles acquired under finance lease are generally for three to seven years.

ii. Property, Plant and Equipment given as collateral security against borrowings by the company

Refer to Note 41 for information on property, plant and equipment given as collateral security by the company

iii. Deferral/Capitalisation Of Exchange Differences

The Ministry of Corporate Affairs (MCA) has issued the amendment dated December 29, 2011 to AS 11 'The Effects of Changes in Foreign Exchange Rates' , to allow companies deferral/capitalization of exchange differences arising on long-term foreign currency monetary items. In accordance with the amendment/earlier amendment to AS 11 read with Para D13AA of Ind AS 101 'First time adoption of Indian Accounting Standard', the Company has capitalised exchange loss, 'arising on long-term foreign currency loan to the cost of plant and equipment.

iv. Assets under Construction

Capital work in progress comprises new building and additions to manufacturing facilities being constructed in India

v. Contractual Obligations

Refer to Note 33 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

5. INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Trademarks / Patent
GROSS CARRYING VALUE	
As at April 1, 2019	229.92
Additions / Deductions	-
As at March 31, 2020	**229.92**
Additions / Deductions	-
As at March 31, 2021	**229.92**
ACCUMULATED AMORTISATION AND IMPAIRMENT	
As at April 1, 2019	65.52
Amortisation for the year	21.84
As at March 31, 2020	87.36
Amortisation for the period	21.84
As at March 31, 2021	**109.20**
Net Carrying value as at March 31, 2021	**120.72**
Net Carrying value as at March 31, 2020	**142.56**

i. **Significant Estimate: Useful Life of Intangible Assets**

6. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(A) Investments in Associates		
Quoted		
3,369,605 shares of INR 5 each of Gujarat Themis Biosyn Limited fully paid up (March 31, 2020 : 3,369,605)	2,082.38	1,438.82
(B) Investments in Joint Ventures		
Unquoted		
6,860,000 Equity shares of Richter Themis Medicare (India) Private Limited of INR 10 each fully paid up (March 31, 2020 : 6,860,000)	2,393.83	2,090.63
Total	**4,476.21**	**3,529.45**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

6A. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(A) INVESTMENTS		
Non Current		
(1) Investments carried at fair value through Profit and Loss		
(a) Investments in Equity Instruments		
Quoted		
505 Equity shares of Union Bank of India of INR 10 each fully paid (March 31, 2020: 505)	0.17	0.15
9,000 Equity Shares of Bank of Baroda of INR 2 each fully paid (March 31, 2020: 9,000)	6.67	4.82
Unquoted		
16,000 Equity Shares of the Kapol Cooperative Bank Limited of INR 10 each fully paid up (March 31, 2020: 16,000)	1.60	1.60
600 Equity Shares of Jeedimetla Effluent Treatment Limited of INR 100 each fully paid up (March 31, 2020: 600)	0.60	0.60
100 Equity Shares of The Zoroastrian Cooperative Bank Limited of INR 25 each fully paid up (March 31, 2020: 100)	0.03	0.03
(b) Investments in bonds		
Unquoted		
20, 20 years Deep Discount Bonds of Sardar Sarovar Narmada Nigam Limited of INR 3,600 each fully paid up (March 31, 2020 : 20)	10.00	10.00
Total	**19.07**	**17.20**
(2) Investments carried at Amortised Cost		
Investments in Government or trust securities		
Unquoted		
National Savings Certificates [including INR 0.33 lakhs (March 31, 2020 INR 0.33 lakhs) deposited as security with various Government and Semi Government departments](NSC worth INR 0.1 lakhs is held in the name of director of the Company)	0.43	0.43
5 1/2 years Kisan Vikas Patra (including INR 0.1 lakhs deposited as security with sales tax authority at Daman)	0.15	0.15
	0.58	0.58
Total	**19.65**	**17.78**
Aggregate amount of quoted investments	2,089.22	1,443.79
Market value of quoted investments	6,869.05	3,280.22
Aggregate amount of unquoted investments	2,406.63	2,103.44
Aggregate amount of impairment in the value of investments	-	-
Investments carried at amortised cost	0.58	0.58
Investments carried at fair value through other comprehensive income		
Investments carried at fair value through profit and loss	19.07	17.20
Investments carried at cost	-	-
Investments accounted using equity method	4,476.21	3,529.45

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

6A. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(B) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Bank Deposits with more than 12 months maturity	28.13	30.74
Total	**28.13**	**30.74**
Current		
Financial assets carried at amortised cost		
Security Deposits	455.26	408.66
Interest / Dividend Receivable	16.61	16.61
Insurance Claim	60.10	60.10
Total	**531.97**	**485.37**

7. INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(Valued at lower of Cost and Net Realisable value)		
Raw materials		
In Stock	1,213.57	895.70
In Transit	34.42	69.55
Work-in-process	1,349.89	1,381.42
Finished goods	2,603.14	2,444.71
Stores and spares	18.55	14.77
Stock in Trade	-	36.61
Packing Material and Power and Fuel	629.87	618.13
Total	**5,849.44**	**5,460.89**

8. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current		
Trade Receivables from customers	6,496.91	5,775.90
Receivables from other related parties	1,264.03	4,472.54
Total	**7,760.94**	**10,248.44**

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to NIL (Previous year INR NIL)

Trade or Other Receivable due from firms or private companies in which any director is a partner, a director or a member amounted to INR 1,264.03 Lakhs (Previous year INR 4,472.54 Lakhs)

9. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Balances with banks:		
Balances with banks on current accounts	1,897.29	330.47
Cash on hand	4.51	3.68
Total	**1,901.80**	**334.15**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

10. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Balances with banks to the extent held as margin money	325.47	145.75
Balances with banks as security against bank guarantees	235.75	49.25
Deposit account towards share application	0.33	0.33
Total	**561.55**	**195.33**

11. OTHER ASSETS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Payment of Taxes (Net of Provisions)	282.99	290.69
Gratuity Fund	202.78	231.35
Total	**485.77**	**522.04**
Current		
Advances other than Capital advances		
- Advances to Related Parties	83.81	83.81
- Staff Advance and Imprest Cash	54.89	40.80
Others		
- Prepaid expenses	402.62	399.04
- Balances with Statutory, Government Authorities	1,290.47	694.29
- Other current assets	109.46	107.01
Total	**1,941.25**	**1,324.95**

12. INCOME TAX

Deferred Tax

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Deferred tax relates to the following:		
Depreciation for tax purposes	(1,023.88)	(1,122.89)
Land revalued at fair value on date of transition	(420.39)	(420.39)
Temporary difference in the carrying amount of investments	(1.91)	(1.91)
Provision for employee benefits	393.54	365.47
Temporary difference in the carrying amount of financial instruments at amortised cost	(4.54)	(4.54)
MAT Credit entitlement	-	303.08
Loss allowances on trade receivables	444.79	494.79
Losses available for offsetting against future taxable income	519.89	845.38
Others	(2.33)	(1.75)
Net Deferred Tax Assets / (Liabilities)	**(94.83)**	**457.24**

Movement in deferred tax liabilities/assets

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Opening balance as of April 1 2020	**457.24**	**663.74**
Tax income/(expense) during the period recognised in profit or loss	(562.78)	(209.30)
Tax income/(expense) during the period recognised in OCI	10.71	2.81
Closing balance as at March 31 2021	**(94.83)**	**457.24**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liablities relate to income taxes levied by the same tax authority

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Major Components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are as follows:

i. Income tax recognised in profit or loss (₹ in Lakhs)

	2020-21	2019-20
Current income tax charge	-	-
Adjustment in respect of current income tax of previous year	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	562.78	209.30
Income tax expense recognised in profit or loss	**562.78**	**209.30**

ii. Income tax recognised in OCI

	March 31, 2021	March 31, 2020
Net loss/(gain) on remeasurements of defined benefit plans	10.71	2.81
Income tax expense recognised in OCI	**10.71**	**2.81**

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2021 and March 31, 2020

	March 31, 2021	March 31, 2020
Accounting profit before income tax	**4,133.07**	**2,687.46**
Enacted tax rate in India	25.17%	25.17%
Income tax on accounting profits	**1,040.21**	**676.38**
Tax Effect of		
Depreciation	54.83	82.72
Expenses not allowable or considered separately under Income Tax	17.05	70.86
Expenses allowable and others	(54.52)	(31.59)
Losses carried adjusted during the year	(828.98)	(575.15)
Dividend income exempt from tax	-	-
Recognition of deferred tax relating to origination and reversal of temporary differences	562.78	209.30
Other non deductible expenses		
Share of profit/(loss) of an associate and a joint venture	(238.46)	(224.13)
Other adjustments	9.87	0.91
Tax at effective income tax rate	**562.78**	**209.30**

13. SHARE CAPITAL

i. Authorised Share Capital (₹ in Lakhs)

	Equity Share	
	Number	Amount
At April 1, 2019	10,000,000	1,000.00
Increase/(decrease) during the year	-	-
At March 31, 2020	10,000,000	1,000.00
Increase/(decrease) during the year	-	
At March 31, 2021	**10,000,000**	**1,000.00**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii. Issued Capital

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2019	**91,80,942**	**918.09**
Issued during the period	7,050	0.71
At March 31, 2020	**91,87,992**	**918.80**
Issued during the period	462	0.05
At March 31, 2021	**91,88,454**	**918.85**

iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Dinesh S. Patel	8,72,057	9.49	8,72,057	9.49
Jayshree D. Patel	6,67,664	7.27	6,67,664	7.27
Dr. Sachin D. Patel	5,51,655	6.00	5,51,655	6.00
Vividh Margi Investment Private Limited	14,52,842	15.81	14,52,842	15.81
Vividh Distributors Private Limited	7,16,100	7.79	7,16,100	7.79
Gedeon Richter Investment Management Limited	8,84,308	9.62	8,84,308	9.62

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

v. Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 32.

14. OTHER EQUITY

i. Reserves and Surplus **(₹ in Lakhs)**

Particulars	March 31, 2021	March 31, 2020
Capital Reserve	30.00	30.00
Securities Premium	3,506.07	3,504.57
General Reserve	6,733.76	6,733.76
Share Based Payment Reserve	36.55	48.73
Retained Earnings	7,172.41	3,565.39
Property, Plant and Equipment Reserve	3,457.20	3,497.22
Total	**20,935.99**	**17,379.67**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(a) Capital Reserve (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Opening balance	30.00	30.00
Add/(Less):	-	-
Closing balance	**30.00**	**30.00**

Capital reserve is created as per the provisions of the Companies Act, 2013.

(b) Securities Premium (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Opening balance	3,504.57	3,481.68
Add/(Less):		
Issue of equity shares	1.50	22.89
Closing balance	**3,506.07**	**3,504.57**

The amount received in excess of face value of the equity shares is recognised in Share Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(c) General Reserve (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Opening balance	6,733.76	6,733.76
Add/(Less):	-	-
Closing balance	**6,733.76**	**6,733.76**

(d) Share Based Payment Reserve (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Opening balance	48.73	59.67
Add/(Less):		
Employee compensation expense recognised during the year	-	-
Transfer to retained earnings	(12.18)	(10.94)
Closing balance	**36.55**	**48.73**

The Company has three share option schemes under which options to subscribe for the company's shares have been granted to certain executives and senior employees.

The Share based payment reserve is used to recognise the value of equity settled share based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 32 for further details of these plans.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(e) Retained Earnings (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Opening balance	3,565.39	1,047.85
Net Profit/(Loss) for the period	3,570.30	2,478.17
Add/(Less):		
Dividend	(160.79)	-
Transfer from property, plant and equipment reserve in respect of depreciation	40.02	40.02
Transfer from share based payment reserve	12.18	10.94
Ind AS Fair Valuation (FCL)	177.87	-
Others	-	(3.25)
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of post employment benefit obligation, net of tax	(32.56)	(8.34)
Closing balance	**7,172.41**	**3,565.39**

(f) Property, Plant and Equipment Reserve (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Opening balance	3,497.22	3,537.24
Add/(Less):		
Transfer to retained earnings in respect of depreciation on leasehold land	(40.02)	(40.02)
Closing balance	**3,457.20**	**3,497.22**

Property, Plant and Equipment Reserves represents reserve created on revaluation of freehold land on the date of transition to Ind AS. It is a non distributable reserve.

ii. Components of Other Comprehensive Income (₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Exchange differences on translating the financial statements of a foreign operation	(4.16)	3.98
Total	**(4.16)**	**3.98**

15. BORROWINGS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Non Current Borrowings		
Secured		
(a) Term Loans From Banks	569.86	-
(b) Long term maturity of Finance Lease Obligations	99.74	14.27
Unsecured		
(c) Term Loans From Others - Cipla Limited	775.75	698.87
(d) Foreign Currency Term Loan from a Foreign Promoter	1,377.51	1,561.91
(A)	**2,822.86**	**2,275.05**
Current Maturity of Non Current Borrowings		
Secured		
(a) Term Loans From Banks	79.61	-
(b) Long term maturity of Finance Lease Obligations	16.82	4.95
Unsecured		
(c) Foreign Currency Term Loan from a Foreign Promoter	146.73	1,084.65
(d) Term Loan - Unsecured - Cipla Ltd.	360.00	-
(B)	**603.16**	**1,089.60**
Total (A)-(B)	**2,219.70**	**1,185.45**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

15. BORROWINGS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current Borrowings		
Secured		
(a) Loans repayable on demand from Banks		
- Cash Credit	2,492.79	4,220.87
- Bills Discounted	916.28	855.43
- Advance as Packing Credit for Export	823.71	799.37
Unsecured		
(b) Intercorporate Deposits	1,460.00	1,785.66
Total	**5,692.78**	**7,661.33**

NON CURRENT BORROWINGS

SECURED BORROWING

(A) TERM LOANS FROM BANKS

Secured by an equitable mortgage created by deposit of title deeds of the Company's factory land and buildings situated at Vapi, Hyderabad, Haridwar and Baroda and hypothecation of Plant and Machinery both present and future and also secured by personal guarantees of Directors of the Company.

Terms of Repayment

(I) Term Loan from Union Bank of India INR 232.00 lakhs Repayable in 36 monthly installments commencing from November 2021.

(II) Term Loan from Bank of Baroda INR 341.00 lakhs Repayable in 36 monthly installments commencing from November 2021.

(B) LONG TERM MATURITIES OF FINANCE LEASE OBLIGATION

Secured By hypothecation of vehicles acquired under hire purchase arrangement.

Repayable in 36/60/84 equated Monthly Installments as per various arrangements.

UNSECURED BORROWING

(A) TERM LOAN

Company have foreign currency loan from its foreign promoter which is repayable in 22 quarterly installments commencing from December 31, 2021.

(B) TERM LOAN

Company has received interest free loan from Cipla Limited which is repayable in 6 yearly instalments up to March 31, 2026.

CURRENT BORROWINGS

Cash Credit facility from banks

Cash Credits against hypothecation of raw materials, Stock in Process, finished goods, packing material and book debts and also guaranteed by the Directors of the Company.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Net debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current Borrowings	5,692.78	7,661.33
Non-current Borrowings	2,822.86	2,275.05
Net Debt	**8,515.64**	**9,936.38**

(₹ in Lakhs)

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings	
Net Debt as at March 31, 2019	1,494.79	6,685.50	8,180.29
Cash Inflow	1,003.24		1,003.24
Net Receipt on Current Borrowings	-	975.83	975.83
Fair Value	(222.98)	-	(222.98)
Interest Expense			1,107.20
Interest Paid			(1,107.20)
Net Debt as at March 31, 2020	**2,275.05**	**7,661.33**	**9,936.38**
Cash Inflow / (Outflow)	725.69		725.69
Net Receipt on Current Borrowings		(1,968.55)	(1,968.55)
Fair Value	(177.88)		(177.88)
Interest Expense			1,096.57
Interest Paid			(1,096.57)
Net Debt as at March 31, 2021	**2,822.86**	**5,692.78**	**8,515.64**

15(a). LEASE LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Lease Liabilities	118.25	22.47
Total	**118.25**	**22.47**
Current		
Lease Liabilities	84.31	35.49
Total	**84.31**	**35.49**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

16. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current		
Financial Liabilities at amortised cost		
Current maturities of long term debts	586.34	1,084.66
Current maturities of finance lease obligations	16.82	4.95
Unclaimed dividend	1.74	1.74
Unclaimed matured deposits	1.14	1.79
Deposits from Dealers and Suppliers	414.49	439.49
Dividend Payable	14.30	-
Rent Deposits	4.00	23.64
Others		
Book Overdraft	64.37	538.93
Other Payables	1,738.74	2,525.62
Total	**2,841.94**	**4,620.82**

17. TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current		
Trade Payable to Micro enterprises and Small enterprises	37.94	109.49
Trade Payable to Creditors other than micro enterprises and small enterprises	3,041.25	2,858.82
Total	**3,079.19**	**2,968.31**

18. OTHER LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current		
Advance received from Customers	941.92	-
Statutory Liabilities*	39.58	27.88
Auditors Remuneration Payable	0.73	0.68
Professional Fees Payable	0.86	0.68
Total	**983.09**	**29.24**

*Includes GST, Excise duty, Service tax and TDS

19. PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Provision for employee benefits		
Gratuity	-	-
Leave encashment	-	-
Total	**-**	**-**
Current		
Provision for employee benefits		
Gratuity	34.00	42.00
Leave encashment	115.30	123.83
Total	**149.30**	**165.83**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

20. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2020-21	2019-20
Sale of products		
Sale of Products	22,933.25	20,044.36
Other Operating Revenues		
Others	133.73	114.47
Total	**23,066.98**	**20,158.83**

21. OTHER INCOME

(₹ in Lakhs)

Particulars	2020-21	2019-20
Interest Income on Bank fixed deposits	41.21	30.37
Dividend income	192.80	0.00
Other Non Operating Income		
Fair value gain on financial instruments at fair value through profit and loss	1.88	-
Foreign Exchange Fluctuation Gain	58.13	24.99
Sundry balances written back	0.04	-
Miscellaneous Income	68.15	291.13
Total	**362.21**	**346.49**

22. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2020-21	2019-20
Raw Material		
As at beginning of the year	895.70	962.22
Add: Purchases	6,060.55	4,140.11
Less: Samples classified under other expenses	(73.51)	(190.60)
Less : As at end of the year	(1,213.57)	(895.70)
	5,669.17	4,016.03
Packing Material	1,123.25	1,121.57
Total	**6,792.42**	**5,137.60**

23. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2020-21	2019-20
Traded Goods	1,155.45	1,529.86
Total	**1,155.45**	**1,529.86**

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2020-21	2019-20
Inventories as at the beginning of the year		
Work - in - process	1,381.42	1,342.37
Finished goods	2,444.71	2,134.60
Stock-in-trade	36.61	36.61
Total	**3,862.74**	**3,513.58**
Less : Inventories as at the end of the year		
Work - in - process	1,349.89	1,381.42
Finished goods	2,603.14	2,444.71
Stock - in - Trade	-	36.61
Total	**3,953.03**	**3,862.74**
Net decrease / (increase) in inventories	**(90.29)**	**(349.16)**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

25. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2020-21	2019-20
Salaries, wages and bonus	3,698.81	4,105.91
Contribution to provident and other funds	281.58	288.43
Staff welfare expenses	18.59	33.17
Total	**3,998.98**	**4,427.51**

26. FINANCE COST

(₹ in Lakhs)

Particulars	2020-21	2019-20
Interest expense on debts and borrowings	1,096.57	1,107.20
Bank Charges	174.68	180.84
Total	**1,271.25**	**1,288.04**

27. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	2020-21	2019-20
Depreciation on tangible assets	771.67	773.76
Amortisation on intangible assets	21.84	21.84
Depreciation on Lease Vehicle	31.52	31.60
Depreciation on Lease Premises	29.68	-
Total	**854.71**	**827.20**

28. OTHER EXPENSES

(₹ in Lakhs)

Particulars	2020-21	2019-20
Consumption of stores and spares	195.72	168.76
Power and fuel	1,131.87	1,148.97
Processing charges	666.41	973.74
Rent	83.38	46.16
Repairs and maintenance		
Building	8.77	25.00
Plant and Machinery	66.05	20.98
Others	80.77	89.92
Insurance	137.64	89.36
Rates and taxes	112.85	31.44
Travelling and conveyance expenses	338.55	881.32
Freight and Forwarding charges	593.34	414.61
Legal and professional charges	523.05	347.88
Commission	544.95	380.88
Warehouse charges	-	0.99
Advertisement and Sales promotion expenses	353.81	432.76
Payments to Auditors	7.84	8.60
Fair value loss on financial instrument at Fair value through profit and loss	-	7.11
Stock destruction costs	0.34	-
Miscellaneous expenses	1,415.73	778.87
Total	**6,261.07**	**5,847.35**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(a) Details of Payments to auditors (₹ in Lakhs)

	2020-21	2019-20
As auditor		
Audit Fee	7.50	8.42
In other capacity		
Other services (certification fees)	0.34	0.10
Re-imbursement of expenses	-	0.08
Total	**7.84**	**8.60**

(b) Corporate social responsibility expenditure (₹ in Lakhs)

	2020-21	2019-20
Contribution to Rural Development Programme of the Bombay Mothers and Children Welfare Society	-	-
Contribution to Sanitary Manufacturing Unit at Jaiwadi Tribal Village	-	-
Total	**-**	**-**
Amount required to be spent as per Section 135 of the Act	5.98	6.11
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) on purposes other than (i) above	46.40	-

29. RESEARCH AND DEVELOPMENT COSTS

The Company during the period has incurred cost on research and development activities which are not eligible for capitalisation in terms of Ind AS 38 and therefore they are recognised in other expenses under statement of profit and loss. Amount charged to profit or loss during the period ended March 31, 2021: INR 849.67 Lakhs (March 31, 2020: INR 343.21 Lakhs) details of which are as follows:

(₹ in Lakhs)

Particulars	2020-21	2019-20
On Revenue Account :		
Manufacturing Expenses		
Material	22.81	5.60
Other Expenses	826.86	337.61
Total Research & Development Expenditure	**849.67**	**343.21**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

30. EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	2020-21	2019-20
(a) Basic earnings per share (INR)	38.86	26.97
(b) Diluted earnings per share (INR)	38.84	26.97
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	3,570.29	2,478.16
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	3,570.29	2,478.16
Adjustments for calculation of diluted earnings per share:	-	-
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**3,570.29**	**2,478.16**
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	91,88,454	91,87,992
Adjustments for calculation of dilluted earnings per share:		
Employee Stock Options	2,969	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**91,91,423**	**91,87,992**

31. EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

	March 31, 2021			March 31, 2020		
	Current	Non Current	Total	Current	Non Current	Total
Provisions						
Leave obligations	115.30	-	**115.30**	123.83	-	**123.83**
Employee Benefit Obligations	**115.30**	**-**	**115.30**	**123.83**	**-**	**123.83**
Plan Assets						
Gratuity	-	202.78	**202.78**	-	231.35	**231.35**
Employee Benefit Plan Assets	**-**	**202.78**	**202.78**	**-**	**231.35**	**231.35**

(i) Leave Obligations

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 115.30 Lakhs (March 31, 2020: INR 123.83 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(ii) Post Employment obligations

a) 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 five 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 by 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 amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows **(₹ in Lakhs)**

	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2019	200.77	419.55	218.78
Current service cost	35.29	-	(35.29)
Interest expense/(income)	15.62	32.64	17.02
Error in Reconciliation	-	-	-
Total amount recognised in profit or loss	**50.91**	**32.64**	**(18.27)**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(18.37)	(18.37)
(Gain)/Loss from change in financial assumptions	20.32	-	(20.32)
Experience (gains)/losses	(27.53)	-	27.53
Total amount recognised in other comprehensive income	**(7.21)**	**(18.37)**	**(11.16)**
Employer contributions	-	42.00	42.00
Benefit payments	(9.19)	(9.19)	-
As at March 31, 2020	**235.28**	**466.63**	**231.35**
Current service cost	43.86	-	(43.86)
Interest expense/(income)	16.12	31.96	15.84
Error in Reconciliation	-	-	-
Total amount recognised in profit or loss	**59.98**	**31.96**	**(28.02)**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(29.83)	(29.83)
(Gain)/Loss from change in financial assumptions	(2.57)	-	2.57
Experience (gains)/losses	15.30	-	(15.30)
Total amount recognised in other comprehensive income	**12.73**	**(29.83)**	**(42.56)**
Employer contributions	-	42.00	42.00
Benefit payments	(63.39)	(63.39)	-
As at March 31, 2021	**244.60**	**447.38**	**202.78**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

The major categories of plan assets of the fair value of the total plan assets are as follows. **(₹ in Lakhs)**

Particulars	March 31, 2021	March 31, 2020
Contribution to LIC	447.38	466.63

The significant actuarial assumptions were as follows:

	March 31, 2021	March 31, 2020
Discount rate	6.95%	6.85%
Expected return on plan assets	6.95%	6.85%
Salary growth rate	4.00%	4.00%
Employee turnover rate	1.00%	1.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is shown below: **(₹ in Lakhs)**

Assumptions	Discount rate		Employee turnover rate		Salary growth rate	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
March 31, 2021						
Impact on defined benefit obligation	(12.21)	13.30	3.51	(3.78)	13.63	(12.59)
% Impact	-4.99%	5.44%	1.43%	-1.55%	5.57%	-5.15%
March 31, 2020						
Impact on defined benefit obligation	(11.34)	12.42	3.14	(3.41)	12.71	(11.69)
% Impact	-4.82%	5.28%	1.34%	-1.45%	5.40%	-4.97%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined beenfit obligation as a result of reasonable changes in key assumptions occuring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years: **(₹ in Lakhs)**

	March 31, 2021	March 31, 2020
1st following year	17.08	37.01
2nd following year	7.60	5.82
3rd following year	18.29	13.41
4th following year	14.68	16.44
5th following year	35.13	16.32
Sum of Years 6 to 10	61.33	66.12
Sum of Years 11 and above	458.19	427.29
Total expected payments	**612.30**	**582.41**

The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years (March 31, 2020: 11 years)

iii) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 199.33 Lakhs (March 31, 2020: INR 214.15 Lakhs)

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

32. SHARE BASED PAYMENTS

(a) Employee option plan

The Company implemented Themis Medicare Employee Stock Option Scheme 2012 (herein after referred to as "Themis Medicare ESOS 2012" or “the Scheme”) as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors.

The purpose of this Scheme is to promote the success of the Company and its subsidiaries and the interest of its shareholders by rewarding, attracting, motivating, and retaining Employees for high levels of individual performance, for efforts to improve the financial performance of the Company.

The Employee Stock Option Plan (ESOP) is designed to provide incentives to eligible employees to deliver long term returns. Under the plan, participants are granted options which vest upon completion of 1 year of service from the grant date. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of 5 years. When exercisable, each option is convertible into one equity share.

Movement during the period

The number and weighted average exercise prices (WAEP) of the options and movement during the period is as follows:

	March 31, 2021		March 31, 2020	
	Number of options	WAEP	Number of options	WAEP
Opening balance	25,466	314.57	34,478	308.67
Granted duing the period	20,000	303.00	-	-
Exercised during the period*	462	334.75	7,050	334.75
Forfeited during the period	-	-	-	-
Expired during the period	2,000	77.85	1,962	138.34
Closing balance	**43,004**	**319.98**	**25,466**	**314.57**
Vested and exercisable	29,004	328.18	25,466	314.57

* The weighted average share price at the date of exercise of options during the period ended March 31, 2021 was INR 400.16 (March 31, 2020: INR 377.50)

Share options outstanding at the end of the period have the following expiry date and exercise prices

Grant Date	Expiry date	Exercise price (INR)	Share options March 31, 2021	Share options March 31, 2020
G1-31/07/2012	31/07/2020	77.85	-	2,000
G2-10/02/2016	10/02/2024	334.75	23,004	23,466
G3-14/11/2019	19/12/2027	303.00	20,000	-
Total			**43,004**	**25,466**
Weighted average remaining contractual life of options outstanding at the end of period			4.7 years	1.8 years

(b) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

(₹ in Lakhs)

	March 31, 2021	March 31, 2020
Employee stock option	-	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

33. COMMITMENTS AND CONTINGENCIES

A. Commitments **(₹ in Lakhs)**

Particulars	March 31, 2021	March 31, 2020
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	128.34	159.74
(b) Other Commitments		
(i) Liability on account of Custom duty on goods in bonded warehouse or in transit is, as per the Company's practice charged to Profit & Loss Account only in the year in which the goods are cleared from the Custom. This accounting policy has no effect on the Profit for the year.	-	3.56
	128.34	**163.30**

B. Contingent Liabilities **(₹ in Lakhs)**

Particulars	March 31, 2021	March 31, 2020
i. Claim against the company not acknowledged as debt		
(i) The Ministry of Chemicals & Fertilizers ,Government of India has raised demand under Drug Price Control Order,1979 / 1995 for difference in actual price and price of respective bulk drug allowed while fixing the prices of certain life saving formulations which are disputed by the Company. The Company has preferred Appeals before Honorable High Courts of Gujarat and Bombay in respect of Bulk Drug Rifampicin and Ethambutol respectively, for grant of ad interim stay. While allowing the stay, The Honorable High Court Gujarat directed the Company to deposit Principal Liability of INR 34.80 lakhs out of the total liability of INR 126.08 lakhs as worked out by the Department of Chemicals & Fertilizers, Govt. of India. The Company has already complied with the directions of the Honorable Court. In respect of Liability for Bulk Drug Ethambutol, the Honorable Bombay High Court had directed the Company to submit Bank Guarantee of Principle amount with Court & stayed the matter. The Company has complied with the direction of the Honorable High Court. Similarly, a demand notice is received during a previous year from NPPA, New Delhi, in respect of Formulation Tetracox, The Company has preferred Writ Petition at Honorable High Court Uttarakhand, Nainital, as well for stay of demand. The matter is pending before the High Court.	435.98	435.98
(ii) Others	0.87	0.87
ii. Guarantees excluding financial guarantees		
Bank Guarantees	433.41	243.32
iii. Other money for which the company is contingently liable		
(i) In respect of Letter of Credit	364.36	143.41
(ii) Disputed VAT Liability as the matters are in appeal	39.38	17.60
(iii) Customs duty payable on raw materials imported under duty exemption scheme in case of non-fulfillment of export obligation.	253.28	243.12
(iv) Disputed Income Tax Liability as the matters are in appeal.	-	29.47
	1,527.28	**1,113.77**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

34. INTEREST IN OTHER ENTITIES

(a) Subsidiaries

The group's subsidiaries at March 31, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The county of incorporation or registration is also their principal place of business.

Name of entity	Place of business / incorporation	Principal activities	Ownership interest held by the group		Ownership interest held by non controlling interest	
			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Carpo Medical Limited	United Kingdom		100%	100%	0%	0%
Themis Life Style Private Limited	India		99%	99%	1%	1%
Artemis Biotech Limited	India		95%	95%	5%	5%

(b) Interest in associates and joint ventures

(i) Set out below are the associates and joint ventures of the group as at March 31, 2021 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the ownership interest is the same as the proportion of voting rights held

(₹ in Lakhs)

Name of entity	Place of Business	% of ownership interest	Relationship	Accounting Method	Carrying Amount	
					March 31, 2021	March 31, 2020
Long Island Nutritionals Private Limited	India	37.14%	Associate	Equity Method	-	-
Gujarat Themis Biosyn Limited	India	23.19%	Associate	Equity Method	2,082.38	1,438.82
Richter Themis Medicare (India) Private Limited	India	49.00%	Joint Venture	Equity Method	2,393.83	2,090.63

Name of entity	Carrying Amount		Quoted Fair Value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Long Island Nutritionals Private Limited **	-	-	-	-
Gujarat Themis Biosyn Limited	2,082.38	1,438.82	6,862.20	3,275.26
Richter Themis Medicare (India) Private Limited **	2,393.83	2,090.63	-	-

** Unlisted entity - no quoted price available

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(ii) Summarised financial information for associates and joint ventures

The table below provides summarised financial information for those joint ventures and associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modification for differences in accounting policies.

(₹ in Lakhs)

Summarised balance sheet	Long Island Nutritionals Private Limited		Gujarat Themis Biosyn Limited		Richter Themis Medicare (India) Private Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Current assets						
Cash and cash equivalents	*	*	*	*	456.56	386.57
Other assets	*	*	*	*	6,133.75	5,933.31
Total current assets	**99.24**	**115.09**	**6,332.15**	**2,869.58**	**6,590.30**	**6,319.87**
Total non current assets	**162.88**	**191.50**	**2,494.33**	**3,538.02**	**6,417.59**	**6,995.82**
Current liabilities						
Financial liabilities (excluding trade payables)	*	*	*	*	387.03	1,236.22
Other liabilities	*	*	*	*	1,123.75	1,109.03
Total current liabilites	**89.42**	**93.29**	**1,582.31**	**1,734.04**	**1,510.79**	**2,345.26**
Non current liabilities						
Financial liabilities (excluding trade payables)	*	*	*	*	6,855.06	6,728.70
Other liabilities	*	*	*	*	601.09	744.24
Total non current liabilities	**996.86**	**924.65**	**249.46**	**454.06**	**7,456.15**	**7,472.95**
Net Assets	**(824.17)**	**(711.35)**	**6,994.72**	**4,219.51**	**4,040.95**	**3,497.48**

* indicates disclosures that are not required for investments in associates

Reconciliation to carrying amounts

Particulars	Long Island Nutritionals Private Limited		Gujarat Themis Biosyn Limited		Richter Themis Medicare (India) Private Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening net assets	**(711.35)**	**(634.83)**	4,219.51	**1,851.95**	**3,497.48**	**3,150.15**
Profit for the year	(112.82)	(75.19)	3,017.97	2,367.46	898.77	697.00
Other comprehensive income	-	-	(3.07)	0.10	-	-
Dividends paid	-	-	(239.72)	-	(280.00)	-
Other adjustments			0.03	-	(75.30)	(349.67)
Closing net assets	**(824.17)**	**(710.02)**	**6,994.72**	**4,219.51**	**4,040.95**	**3,497.48**
Group's share in %	37.14%	37.14%	23.19%	23.19%	49.00%	49.00%
Group's share in INR	(306.10)	(263.70)	1,622.08	978.50	1,980.07	1,713.77
Goodwill			460.30	460.32		
Other adjustments					413.76	376.86
Carrying amount	**-**	**-**	**2,082.38**	**1,438.82**	**2,393.83**	**2,090.63**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(₹ in Lakhs)

Summarised statement of profit and loss	Long Island Nutritionals Private Limited		Gujarat Themis Biosyn Limited		Richter Themis Medicare (India) Private Limited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue from operations	18.14	30.72	9,056.27	8,512.44	8,723.25	7,961.04
Interest income	*	*	*	*	10.27	-
Depreciation and amortisation	*	*	*	*	332.81	334.19
Interest expense	*	*	*	*	125.13	243.90
Income tax expense	*	*	*	*	103.66	257.29
Profit for the year	**(112.82)**	**(75.19)**	**3,017.97**	**2,367.46**	**898.77**	**697.00**
Other comprehensive income	-	-	(3.07)	0.10	-	-
Total comprehensive income	**(112.82)**	**(75.19)**	**3,014.90**	**2,367.56**	**898.77**	**697.00**
Dividends paid	-	-	239.72	-	280.00	-

* indicates disclosures that are not required for investments in associates

	March 31, 2021	March 31, 2020
Share of profits from associates	644.27	549.01
Share of profits from joint ventures	303.20	341.53
Total share of profits from associates and joint ventures	**947.47**	**890.54**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

35. DISCLOSURES REQUIRED BY SCHEDULE III

(₹ in Lakhs)

Name of the Entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Themis Medicare Limited	80.13%	17,508.61	74.56%	2,662.05	78.23%	(31.85)	74.52%	2,630.20
Subsidiaries								
Indian								
Themis Life Style Private Limited	0.00%	(0.43)	0.00%	(0.11)	0.00%	-	0.00%	(0.11)
Artemis Biotech Limited	0.00%	(1.09)	0.00%	(0.13)	0.00%	-	0.00%	(0.13)
Foreign								
Carpo Medical Limited	-0.64%	(140.02)	-1.09%	(39.02)	54.16%	(22.05)	-1.73%	(61.07)
Non-controlling Interests in all subsidiaries	0.00%	(0.06)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Associates (Investment as per the equity method)								
Indian								
Long Island Nutritionals Private Limited	0.00%	-	0.00%	-	0.00%	-	-	-
Gujarat Themis Biosyn Limited	9.53%	2,082.38	18.05%	644.27	1.75%	(0.71)	18.23%	643.56
Joint Ventures (investment as per the equity method)								
Indian								
Richter Themis Medicare (India) Private Limited	10.96%	2,393.83	8.49%	303.20	0.00%	-	8.59%	303.20
Total Elimination/ consolidation adjustments	0.03%	7.40	0.00%	0.04	-34.14%	13.90	0.39%	13.94
Total	**100.00%**	**21,850.62**	**100.00%**	**3,570.29**	**100.00%**	**(40.71)**	**100.00%**	**3,529.58**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

36. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Country of Incorporation
Associate	
Long Island Nutritionals Private Limited	India
Gujarat Themis Biosyn Limited	India
Joint Venture	
Richter Themis Medicare (India) Private Limited	India
Enterprises over which KMPs are able to exercise significant influence	
Themis Distributors Private Limited	India
Vividh Distributors Private Limited	India
Vividh Margi Investments Private Limited	India
Pharmaceutical Business Group (India) Limited	India
Key Managerial Personnel	
Dr. Dinesh S. Patel (Executive Vice Chairman)	
Dr. Sachin D. Patel (Managing Director and CEO)	
Jayshree D. Patel	
Tushar J. Dalal (Chief Financial Officer)	
Sangameshwar Iyer (Company Secretary)	
Non - Executive Directors / Independent Directors	
Humayun Dhanrajgir	
Vijay Gopi Kishan Agarwal	
Hoshang Noshirwan Sinor	
Rajneesh Kedarnath Anand	
Hariharan Subramaniam	
Lajos Kovacs	
Gulasci Mihaly Gabor	
Manjul Sandhu	
Relative of Key Managerial Personnel	
Reena S. Patel	

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(ii) Transactions with related parties (₹ in Lakhs)

Name	Nature of Transaction	March 31, 2021	March 31, 2020
Vividh Distributors Private Limited	Sale of finished goods	735.15	899.80
	Freight and other Expenses	0.41	2.02
Themis Distributors Private Limited	Sale of finished goods	3,182.48	5,673.33
	Freight and other Expenses	16.86	1.46
Vividh Margi Investments Private Limited	Sale of finished goods	812.87	676.80
	Freight and other Expenses	1.90	1.08
	Electricity Charges	4.21	4.23
	Telephone Charges	0.16	0.03
Richter Themis Medicare (India) Private Limited	Purchase of goods	-	11.40
	Dividend Income	137.20	-
Gujarat Themis Biosyn Limited	Sale of finished goods	-	0.95
	Purchase of goods	21.76	-
	Dividend Income	55.60	-
Long Island Nutritionals Private Limited	Purchase of goods	-	3.18
Pharmaceutical Business Group (India) Limited	Interest Expenses	17.88	17.88

(iii) Outstanding Balances: (₹ in Lakhs)

Name	March 31, 2021	March 31, 2020
Trade Receivables / (Payables):		
Vividh Distributors Private Limited	147.69	62.40
Themis Distributors Private Limited	1,014.03	4,402.97
Vividh Margi Investments Private Limited	99.54	(21.88)
Richter Themis Medicare (India) Private Limited	-	(32.32)
Gujarat Themis Biosyn Limited	(206.72)	(141.28)

(iv) Key management personnel compensation (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Short term employee benefits	233.24	234.18
Post-employment benefits	-	-
Long term employee benefits*	-	-
Directors sitting fees	15.60	10.40
Employee share based payment	-	-
Total	**248.84**	**244.58**

* The amounts of Long term employee benefits cannot be separately identified from the composite amount advised by the actuary/valuer.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(v) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2020: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

37. SEGMENT REPORTING

The Group primarily operates in one business segment only i.e. Pharmaceuticals, which is the only reportable segment. There is no other segment which requires reporting as per Ind AS 108 "Operating Segments".

Information about geographical areas

Revenue from external customers

The Holding Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Lakhs)

	March 31, 2021	March 31, 2020
India	12,983.94	13,248.71
Outside India	9,949.31	6,795.65
Total	**22,933.25**	**20,044.36**

Revenue arising from sale of products to two customers amounted to INR 3,337.31 Lakhs and INR 3,182.48 Lakhs (March 31, 2020: two customers amounted to INR 2,158.44 Lakhs and INR 5,111.06 Lakhs), exceeds 10% of revenue from operations of the Company.

38. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

(₹ in Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
FINANCIAL ASSETS				
Amortised cost				
Investments in Government Securities	0.58	0.58	0.58	0.58
Trade Receivables	7,760.94	10,248.44	7,760.94	10,248.44
Cash and Cash Equivalents	1,901.80	334.15	1,901.80	334.15
Security Deposits	455.26	408.66	455.26	408.66
Other Bank Balances	561.55	195.33	561.55	195.33
Other Financial Assets	104.84	107.45	104.84	107.45
FVTPL				
Investment in Equity Instruments	9.07	7.20	9.07	7.20
Investments in Bonds	10.00	10.00	10.00	10.00
Investments in Mutual Funds	-	-	-	-
Total	**10,804.04**	**11,311.81**	**10,804.04**	**11,311.81**
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	8,515.64	9,936.38	8,515.64	9,936.38
Trade Payables	3,079.19	2,968.31	3,079.19	2,968.31
Other financial liabilities	2,441.34	3,566.71	2,441.34	3,566.71
Total	**14,036.17**	**16,471.40**	**14,036.17**	**16,471.40**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

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

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determing fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement: **(₹ in Lakhs)**

Particulars	March 31, 2021				March 31, 2020			
	Fair value measurement using			Total	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Investment in Equity Instruments	6.84	-	2.23	9.07	4.97	-	2.23	7.20
Investments in Bonds and Debentures	-	-	10.00	10.00	-	-	10.00	10.00
Mutual Funds	-	-	-	-	-	-	-	-
Total Assets	**6.84**	**-**	**12.23**	**19.07**	**4.97**	**-**	**12.23**	**17.20**

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

The fair value of unquoted equity instruments and unquoted bonds is not significantly different from their carrying value and hence the management has considered their carrying amount as fair value.

iv. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

39. FINANCIAL RISK MANAGEMENT

The Company's activity exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictibility of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i. Credit risk management

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations. Also, the Company has unutilized credit limits with banks.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

Maturities of financial liabilities

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

(₹ in Lakhs)

Contractual maturities of financial liabilities		Contractual cash flows			
Particulars	**Carrying Amount**	**Total**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**
March 31, 2021					
Borrowings	8,515.64	9,361.51	6,579.40	2,771.19	10.91
Trade payables	3,079.19	3,079.19	3,079.19	-	-
Other financial liabilities	2,441.34	2,441.34	2,441.34	-	-
Total financial liabilities	**14,036.17**	**14,882.04**	**12,099.93**	**2,771.19**	**10.91**
March 31, 2020					
Borrowings	9,936.38	10,271.88	8,971.83	1,300.05	-
Trade payables	2,968.31	2,968.31	2,968.31	-	-
Other financial liabilities	3,566.71	3,566.71	3,566.71	-	-
Total financial liabilities	**16,471.40**	**16,806.90**	**15,506.85**	**1,300.05**	**-**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity risk.

(i) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the external commercial borrowings and export receivables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(a) The company exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows

(₹ in Lakhs)

	USD	EURO	AUD	GBP	Total
March 31, 2021					
Trade Receivables	2,261.62	56.23	-	-	**2,317.85**
Trade Payable	(82.62)	(0.23)	(11.13)	-	**(93.98)**
Foreign Currency Borrowings	(1,377.51)	-	-	-	**(1,377.51)**
Other receivables	-	-	-	-	**-**
Net exposure to foreign currency risk	**801.49**	**56.00**	**(11.13)**	**-**	**846.36**
March 31, 2020					
Trade Receivables	1,316.43	40.43	-	7.43	**1,364.29**
Trade Payable	(4.34)	(0.80)	(14.95)	-	**(20.09)**
Foreign Currency Borrowings	(1,561.91)	-	-	-	**(1,561.91)**
Other receivables	-	-	-	-	**-**
Net exposure to foreign currency risk	**(249.82)**	**39.63**	**(14.95)**	**7.43**	**(217.71)**

(b) Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

	2020-21		2019-20	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD	8.01	(8.01)	(2.50)	2.50
EURO	0.56	(0.56)	0.40	(0.40)
AUD	(0.11)	0.11	(0.15)	0.15
GBP	-	-	0.07	(0.07)
Net Increase/(decrease) in profit or loss	**8.46**	**(8.46)**	**(2.18)**	**2.18**

(ii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During March 31, 2021 and March 31, 2020, the company's borrowings at variable rate were mainly denominated in USD.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market.

(a) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Variable rate borrowings	1,377.51	1,561.91
Fixed rate borrowings	6,362.38	7,675.60
Total borrowings	**7,739.89**	**9,237.51**
% of borrowings at variable rate	**18%**	**17%**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Interest rates - increase by 50 basis points*	6.89	7.81
Interest rates - decrease by 50 basis points*	(6.89)	(7.81)

*holding all other variables constant.

(iii) Commodity Price risk

The Group's operating activities involve purchase and sale of Active Pharmaceutical Ingredients (API), whose prices are exposed to the risk of fluctuation over short periods of time. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As of March 31, 2021 and March 31, 2020 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

40. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder 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 the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Borrowings other than convertible preference shares	8,515.64	9,936.38
Trade Payables	3,079.19	2,968.31
Other Financial Liabilities	2,441.34	3,566.71
Less: Cash and Cash Equivalents	(1,901.80)	(334.15)
Less: Other Bank Balance	(561.55)	(195.33)
Net Debt	**11,572.82**	**15,941.92**
Equity Share Capital	918.85	918.80
Other Equity	20,931.77	17,383.60
Total Capital	**21,850.62**	**18,302.40**
Capital and Net Debt	**33,423.44**	**34,244.32**
Gearing Ratio	**34.62**	**46.55**

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

41. ASSETS GIVEN AS COLLATERAL SECURITY AGAINST BORROWINGS

The carrying amount of assets given as collateral security for current and non current borrowings are: **(₹ in Lakhs)**

Particulars	March 31, 2021	March 31, 2020
CURRENT ASSETS		
Trade Receivables	7,760.94	10,248.44
Inventories	5,849.44	5,460.89
Total current assets	**13,610.38**	**15,709.33**
NON CURRENT ASSETS		
Property, plant and equipment	12,975.00	11,488.71
Total non current assets	**12,975.00**	**11,488.71**

42. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Principal amount due to suppliers under MSMED Act, 2006*	37.94	109.49
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

*Amount includes due and unpaid of INR 37.94 Lakhs (March 31, 2020: INR 109.49 Lakhs)

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

43. DEFERRAL/CAPITALISATION OF EXCHANGE DIFFERENCES

The Ministry of Corporate Affairs (MCA) has issued the amendment dated December 29, 2011 to AS 11 "The Effects of Changes in Foreign Exchange Rates", to allow companies deferral/capitalization of exchange differences arising on long-term foreign currency monetary items. In accordance with the amendment/earlier amendment to AS 11, the Company has capitalised exchange loss, 'arising on long-term foreign currency loan to the cost of plant and equipments.

Accordingly foreign exchange gain/(loss) adjusted against: **(₹ in Lakhs)**

Particulars	March 31, 2021	March 31, 2020
Cost of the assets / Capital work in progress	64.86	24.88
Amortised in the current year	61.92	48.74

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

44. EFFECT OF COVID-19

Due to COVID-19 situation, there have been several restrictions imposed by the Governments across the globe on the travel, goods movement and transportation considering public health and safety measures, which had some impact on the Group's supply chain during March, 2021. The Group is closely monitoring the impact of the pandemic on all aspects of its business, including how it will impact its customers, employees, vendors and business partners. The management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of investments, intangible assets, inventory, based on the information available to date, both internal and external, while preparing the Group's financial results as of and for the year ended 31st March, 2021.

Significant Accounting Policies and Notes Forming Part of the Financial Statements. **1 to 44**

As per our report of even date attached

For R. P. Sardar & Co. Chartered Accountants Firm Registration No: 109273W	**For and on behalf of the Board**	
Raju P. Sardar Proprietor Membership No: 037845	**Sangameshwar Iyer** Company Secretary (Membership No.: ACS 6818)	**Hoshang Sinor** Chairman (DIN: 00074905)
Place: Mumbai Date: May 27, 2021	**Tushar J. Dalal** Chief Financial Officer	**Dr. Sachin Patel** Managing Director & CEO (DIN: 00033353)

Independent Auditor's Report

To the Members of
Themis Medicare Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Themis Medicare Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "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, 2021, and its profit, total comprehensive income, the 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us 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 judgement, 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, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How was the matter addressed in our Audit
Revenue Recognition: The company has numerous customers from different geographics and having different terms of engagement and conditions relating to Revenue recognition, the right of return, variable consideration and price adjustments.	**Our Audit Procedure Included:** We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included goods dispatch notes and shipping documents. We inspected, on a sample basis, key customer contracts to identify terms and conditions relating to goods acceptance and rebates and assessing the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards.
Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.	We assessed the appropriateness of the revenue recognition accounting policies, including those relating to rebates and discounts by comparing with applicable accounting standards.
Revenue is measured at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc.	We have performed alternate audit procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence- Specific Consideration for selected items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these standalone financial results
The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.	

Information Other than the 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 including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility 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 judgement and maintain professional skepticism throughout the audit. We also:

- 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.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that, a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. (A) As required by Section 143(3) of the Act, based on our audit we report that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
    e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (B) 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.
    ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts wherever applicable.
    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   (C) 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.

For **R. P. Sardar & Co.**
Chartered accountants
(Firm's Registration No.-109273W)

Place: Mumbai
Date: 27th May, 2021
UDIN: 21037845AAAAKC3007

Raju P. Sardar
(Proprietor)
(Membership No. 037845)

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of THEMIS MEDICARE LIMITED, (“the Company”) as of 31st March, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **R. P. Sardar & Co.**
Chartered accountants
(Firm's Registration No.-109273W)

Place: Mumbai
Date: 27th May, 2021
UDIN: 21037845AAAAKC3007

Raju P. Sardar
(Proprietor)
(Membership No. 037845)

Annexure "B" to the Independent Auditor's Report

TO THE INDEPENDENT AUDITOR'S REPORT

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

(i) In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of conveyance deed and other relevant documents provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:-

Particulars of the land and building	Carrying amount as at the balance sheet date at cost	Remarks (for exception)
Office Premises – Mumbai Admeasuring about 13770 sq. ft.	Rs. 91,00,000/-	The title deeds are in the name of Indo French Timestar Company Ltd., erstwhile Company from which asset purchased in earlier year.
Training Centre Premises – Mumbai Admeasuring about 3000 sq. ft.	Rs. 1,06,35,000/-	The title deeds are in the name of Indo French Timestar Company Ltd., erstwhile Company from which asset purchased in earlier year.

In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) (a) The Company has granted loan to two parties covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanation provided to us, the terms and conditions of the grant of such loan are prima facie not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated for the loan granted and the repayment / receipt is regular.

(c) The Principal and interest are not overdue in respect of loans granted to Company, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, providing guarantees and securities, as applicable. The provisions of section 186 of the Act in respect of Investments have been complied with by the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits and hence reporting under clause (V) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Goods and Services Tax, Cess and other material statutory dues applicable to it, to the appropriate authorities.

(b) According to the information and explanations given to us and based on the records of the company examined by us, the particulars of dues of Sales Tax & Income Tax as at 31st March, 2021 which have not been deposited on account of a dispute are as follows:-

Nature of the Statute	Nature of Dues	Rs. In Lacs	Period to which it relates	Forum where dispute is pending
Sales Tax Act / VAT Act	Sales Tax / VAT	39.38	Various demands for 1987–88. 1989-90 to 1995-96, 1998-99, 2011-12 & 2016-17.	Various appellate stages in Sales Tax Dept.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not borrowed any money from financial institutions and government. The Company has not issued any debentures.

(ix) In our opinion and according to the information and explanation given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) or Term Loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors, or directors of its holding, Joint Venture Company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **R. P. Sardar & Co.**
Chartered accountants
(Firm's Registration No.-109273W)

Place: Mumbai
Date: 27th May, 2021
UDIN: 21037845AAAAKC3007

Raju P. Sardar
(Proprietor)
(Membership No. 037845)

Balance Sheet as at 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	March 31, 2021	March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	12,974.53	11,438.17
(b) Capital Work-in-Progress	4	247.21	753.69
(c) Right-of-use Assets	4 (a)	214.37	49.91
(d) Intangible Assets	5	120.72	142.56
(e) Financial Assets			
(i) Investments	6	1,097.80	1,095.93
(ii) Other Financial Assets	6	28.13	30.74
(f) Deferred Tax Asset (Net)	12	-	457.24
(g) Other Non-Current Assets	11	485.77	522.04
		15,168.53	**14,490.28**
Current assets			
(a) Inventories	7	5,849.44	5,424.28
(b) Financial Assets			
(i) Trade Receivables	8	7,796.30	10,283.79
(ii) Cash and Cash Equivalents	9	1,900.47	332.81
(iii) Bank Balances Other than (ii) above	10	561.55	195.33
(iv) Other Financial Assets	6	531.97	485.37
(c) Other Current Assets	11	2,032.10	1,406.10
		18,671.83	**18,127.68**
Total		**33,840.36**	**32,617.96**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	918.85	918.80
(b) Other Equity	14	17,661.40	15,012.62
		18,580.25	**15,931.42**
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	2,219.70	1,185.45
(ii) Lease Liabilities	15(a)	118.25	22.47
(b) Provisions	19	-	-
(c) Deferred Tax Liabilities (Net)	12	94.83	-
		2,432.78	**1,207.92**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	5,692.78	7,661.33
(ii) Lease Liabilities	15(a)	84.31	35.49
(iii) Trade Payables	17		
Total outstanding dues of Micro enterprises and Small enterprises		37.94	109.49
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,040.26	2,858.48
(iv) Other Financial Liabilities	16	2,841.24	4,620.12
(b) Other Current Liabilities	18	981.50	27.88
(c) Provisions	19	149.30	165.83
		12,827.33	**15,478.62**
Total		**33,840.36**	**32,617.96**
Significant Accounting Policies and Notes Forming Part of the Financial Statements	**1 to 42**		

As per our report of even date attached
For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Tushar J. Dalal
Chief Financial Officer

Hoshang Sinor
Chairman
(DIN: 00074905)

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)

Statement of Profit and Loss for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	2020-21	2019-20
REVENUE			
Revenue from operations (net)	20	23,066.98	20,158.83
Other income	21	362.21	347.12
Total Revenue (I)		**23,429.19**	**20,505.95**
EXPENSES			
Cost of materials consumed	22	6,792.42	5,137.60
Purchases of stock-in-trade	23	1,155.45	1,529.86
Changes in inventories of finished goods, work-in-process and Stock-in-Trade	24	(126.90)	(349.16)
Employee benefits expense	25	3,998.98	4,427.51
Finance costs	26	1,271.21	1,287.96
Depreciation and amortization expense	27	854.55	826.81
Other expenses	28	6,258.65	5,844.87
Total Expenses (II)		**20,204.36**	**18,705.45**
Profit / (Loss) before exceptional items and tax (I-II)		**3,224.83**	**1,800.50**
Exceptional Items		-	-
Profit / (Loss) before tax		**3,224.83**	**1,800.50**
Tax expense:			
Current tax		-	-
Adjustment of tax relating to earlier periods		-	-
Deferred tax		562.78	209.30
Profit / (Loss) for the period		**2,662.05**	**1,591.20**
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		(42.56)	(11.17)
Income tax effect		10.71	2.81
B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:		-	-
Other Comprehensive income for the year, net of tax		**(31.85)**	**(8.36)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**2,630.20**	**1,582.84**
Earnings per share for profit attributable to equity shareholders	30		
Basic EPS		28.97	17.32
Diluted EPS		28.96	17.32

Significant Accounting Policies and Notes Forming Part of the Financial Statements **1 to 42**

As per our report of even date attached

For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Tushar J. Dalal
Chief Financial Officer

Hoshang Sinor
Chairman
(DIN: 00074905)

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)

Cash Flow Statement for the year ended 31st March 2021

(₹ in Lakhs)

Particulars	2020 - 21	2019 - 20
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax	**3,224.83**	**1,800.50**
Adjustments for:		
Depreciation and amortisation expense	854.55	826.81
(Profit) / Loss on sale of property, plant and equipment	(2.26)	0.80
Changes in fair value of financial instruments at fair value through profit or loss	(1.88)	7.11
Fair valuation of finanial guarentee	-	(0.63)
Changes in fair value of lease assets through profit or loss	-	(0.66)
Dividend and interest income classified as investing cash flows	(234.01)	(30.38)
Finance costs	1,096.57	1,107.20
Reversal of loss allowance on financial assets	-	(88.37)
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	2,487.49	(2,869.33)
(Increase)/Decrease in inventories	(425.16)	(89.01)
Increase/(decrease) in trade payables	110.23	(533.94)
(Increase)/decrease in other financial assets	(43.99)	(83.28)
(Increase)/decrease in other assets	(626.00)	240.76
Increase/(decrease) in provisions	(30.52)	47.88
(Increase)/Decrease in Other bank balance	(366.22)	(25.72)
Increase/(decrease) in other financial liabilties	(1,307.43)	(72.73)
Increase/(decrease) in other current liabilities	953.62	(179.62)
Cash generated from operations	**5,689.82**	**57.39**
Less: (Income taxes paid)/ refund received (Net)	7.70	(24.18)
Net cash inflow from operating activities	**5,697.52**	**33.21**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(1,803.88)	(579.77)
Proceeds from sale of property, plant and equipment	4.75	3.65
Dividends received	192.80	0.00
Interest received	41.21	30.37
Net cash outflow from investing activities	**(1,565.12)**	**(545.75)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issues of equity shares	1.55	23.60
Proceeds from current borrowings (Net)	(1,968.55)	975.83
Receipts / Repayment of non Curent borrowings	725.69	780.26
Repayment of lease liabilities	(66.07)	-
Interest paid	(1,096.57)	(1,107.20)
Dividends paid	(160.79)	-
Net cash inflow (outflow) from financing activities	**(2,564.74)**	**672.49**
Net increase (decrease) in cash and cash equivalents	1,567.66	159.95
Cash and Cash Equivalents at the beginning of the financial year	332.81	172.86
Cash and Cash Equivalents at end of the year	**1,900.47**	**332.81**
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks on current accounts	1,896.22	329.38
Cash on hand	4.25	3.43
Balances as per statement of cash flows	**1,900.47**	**332.81**

Significant Accounting Policies and Notes Forming Part of the Financial Statements **1 to 42**

As per our report of even date attached

For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Tushar J. Dalal
Chief Financial Officer

Hoshang Sinor
Chairman
(DIN: 00074905)

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)

Statement of Changes in Equity for the year ended 31st March, 2021

A EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2020			
Numbers	91,80,942	7,050	**91,87,992**
Amount	918.09	0.71	**918.80**
March 31, 2021			
Numbers	91,87,992	462	**91,88,454**
Amount	918.80	0.05	**918.85**

B OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and Surplus					Property, Plant and Equipment Reserve	Money Received against share warrants	Total
	Capital Reserve	Securities Premium	General Reserve	Share Based Payment Reserve	Retained Earnings			
As at April 1, 2019	30.00	3,481.68	6,733.76	59.67	(426.74)	3,537.24	-	**13,415.61**
Profit for the period	-	-	-	-	1,591.20	-	-	**1,591.20**
Other comprehensive income	-	-	-	-	(8.36)	-	-	**(8.36)**
Total comprehensive income for the year	30.00	3,481.68	6,733.76	59.67	1,156.10	3,537.24	-	**14,998.45**
Issue of equity shares	-	22.89	-	-	-	-	-	**22.89**
Share based payment expense	-	-	-	(10.94)	10.94	-	-	-
Transfer from PPE Reserve to Retained Earnings	-	-	-	-	40.02	(40.02)	-	-
Ind AS 116 implementation (Lease Assets)	-	-	-	-	(8.72)	-	-	(8.72)
As at March 31, 2020	**30.00**	**3,504.57**	**6,733.76**	**48.73**	**1,198.34**	**3,497.22**	-	**15,012.62**
Profit for the period	-	-	-	-	2,662.05	-	-	**2,662.05**
Other comprehensive income	-	-	-	-	(31.85)	-	-	**(31.85)**
Total comprehensive income for the year	30.00	3,504.57	6,733.76	48.73	3,828.54	3,497.22	-	17,642.82
Issue of equity shares	-	1.50	-	-	-	-	-	**1.50**
Share based payments (Employee Stock Option)	-	-	-	(12.18)	12.18	-	-	-
Transfer from PPE to Retained Earning	-	-	-	-	40.02	(40.02)	-	-
Dividend					(160.79)			**(160.79)**
Ind AS 116 implementation (Lease Assets)	-	-	-	-	-	-	-	-
Ind AS Fair Valuation (FCL)	-	-	-	-	177.87	-	-	**177.87**
As at March 31, 2021	**30.00**	**3,506.07**	**6,733.76**	**36.55**	**3,897.82**	**3,457.20**	-	**17,661.40**

Significant Accounting Policies and Notes Forming Part of the Financial Statements **1 to 42**

As per our report of even date attached

For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Tushar J. Dalal
Chief Financial Officer

Hoshang Sinor
Chairman
(DIN: 00074905)

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)

Notes to Financial Statements for the year ended 31st March, 2021

1 Corporate Information

These statements comprise financial statements of Themis Medicare limited (CIN: L24110GJ1969PLC001590) ('the company') for the year ended March 31, 2021. The company is a public company domiciled in India and is incorporated on May 31, 1969 under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Plot No 69A, G.I.D.C Industrial Estate, Vapi district Valsad, Gujarat -396 195.

The Company is principally engaged in the activities pertaining to manufacturing of pharmaceutical products, especially in Formulation and API activity.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 27, 2021.

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies(Indian Accounting Standards)(Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013 ("the Act").

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value or at amortised cost depending on the classification(refer accounting policy regarding financial instruments),
- Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations, and
- Long term borrowings, except obligations under finance leases, are measured at amortised cost using the effective interest rate method.

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.

2.2 Summary of significant accounting policies

(a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other

Notes to Financial Statements for the year ended 31st March, 2021

expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on straight line basis using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life.

The property, plant and equipment acquired under finance leases is depreciated over the asset’s useful life or over the shorter of the asset’s useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold land is amortised on a straight line basis over the balance period of lease.

The residual values are not more than 5% of the original cost of the asset.

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

(b) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Notes to Financial Statements for the year ended 31st March, 2021

Losses arising from retirement and gains or losses arising from disposal 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.

Amortisation methods and periods

Intangible assets comprising of trade marks are amortized on a straight line basis over the useful life of ten years which is estimated by the management.

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

(c) Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

(d) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

Notes to Financial Statements for the year ended 31st March, 2021

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(f) Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

the entity's business model for managing the financial assets and

the contractual cash flow characteristics of the financial asset.

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

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

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

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

Notes to Financial Statements for the year ended 31st March, 2021

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

(i) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Notes to Financial Statements for the year ended 31st March, 2021

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Equity investment in subsidiaries, joint ventures and associates

Investment in subsidiaries, joint ventures and associates are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

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.

(g) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(h) Convertible financial instrument

Convertible instruments are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible instrument based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Notes to Financial Statements for the year ended 31st March, 2021

(i) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum alternate Tax

MAT payable for a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probability that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as 'MAT Credit Entitlement' under Deferred Tax. The Company reviews the same at each reporting date and writes down the asset to the extent the Company does not have probable certainty that it will pay normal tax during the specified period.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Notes to Financial Statements for the year ended 31st March, 2021

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

(ii) Interest income

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).

(iii) Dividend income

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(l) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to Financial Statements for the year ended 31st March, 2021

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans viz gratuity,

(b) defined contribution plans viz provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

Notes to Financial Statements for the year ended 31st March, 2021

(v) Share-based payments

Share-based compensation benefits are provided to employees via the Employee Option Plan

Employee options

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(m) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the

Notes to Financial Statements for the year ended 31st March, 2021

liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(o) Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognised as an expense in the period which they are incurred.

(p) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(q) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Notes to Financial Statements for the year ended 31st March, 2021

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(s) Non-current assets (or disposal groups) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated.

(t) Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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
- It is held primarily for the purpose of trading
- 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.

  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.

Notes to Financial Statements for the year ended 31st March, 2021

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 12
- Estimated fair value of unlisted securities and Debt Instruments – Note 36
- Estimated goodwill impairment – Note 5
- Estimated useful life of intangible asset – Note 5
- Estimation of defined benefit obligation – Note 31
- Estimation of provision for warranty claims – Note 19
- Estimation of fair values of contingent liabilities and contingent purchase consideration in a business combination – Note 36
- Recognition of revenue – Note 20
- Recognition of deferred tax assets for carried forward tax losses – Note 12
- Impairment of trade receivables and other financial assets – Note 37

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Notes to Financial Statements for the year ended 31st March, 2021

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Electric Installations	Capital Work in Progress	Total
GROSS CARRYING VALUE										
As at April 1, 2019	3,357.12	2,796.32	1,848.60	5,856.16	264.43	156.26	20.30	82.80	245.49	14,627.48
Additions	-	-	1.79	30.32	7.66	-	0.19	-	508.20	548.16
Disposals	-	-	-	-	-	14.58	-	-	-	14.58
Other Adjustments	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	**3,357.12**	**2,796.32**	**1,850.39**	**5,886.48**	**272.09**	**141.68**	**20.49**	**82.80**	**753.69**	**15,161.06**
Additions	-	-	6.38	1,623.73	463.09	105.39	1.33	110.44	-	2,310.36
Disposals	-	-	-	21.75	-	4.21	-	-	506.48	532.44
Other Adjustments	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**3,357.12**	**2,796.32**	**1,856.77**	**7,488.46**	**735.18**	**242.86**	**21.82**	**193.24**	**247.21**	**16,938.98**
ACCUMULATED DEPRECIATION/ IMPAIRMENT										
As at April 1, 2019	-	143.70	190.63	1,689.30	99.01	46.87	9.67	26.77	-	2,205.95
Depreciation for the year	-	47.90	69.92	598.75	30.18	16.32	2.64	7.66	-	773.37
Disposals	-	-	-	-	-	10.12	-	-	-	10.12
Adjustments during the period	-	-	-	-	-	-	-	-	-	-
As at March 31, 2020	**-**	**191.60**	**260.55**	**2,288.05**	**129.19**	**53.07**	**12.31**	**34.43**	**-**	**2,969.20**
Depreciation for the year	-	47.90	70.05	599.12	27.42	16.94	2.39	7.69	-	771.51
Disposals	-	-	-	19.47	-	4.00	-	-	-	23.47
Adjustments during the period	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	**-**	**239.50**	**330.60**	**2,867.70**	**156.61**	**66.01**	**14.70**	**42.12**	**-**	**3,717.24**
Net Carrying value as at March 31, 2021	**3,357.12**	**2,556.82**	**1,526.17**	**4,620.76**	**578.57**	**176.85**	**7.12**	**151.12**	**247.21**	**13,221.74**
Net Carrying value as at March 31, 2020	**3,357.12**	**2,604.72**	**1,589.84**	**3,598.43**	**142.90**	**88.61**	**8.18**	**48.37**	**753.69**	**12,191.86**

4 (a) RIGHT - OF - USE ASSETS

Particulars	ROU	Total
GROSS CARRYING VALUE		
As at April 1, 2019	-	-
Impact of adoption of Ind AS 116		
Additions	81.51	81.51
As at March 31, 2020	81.51	81.51
Additions	225.66	225.66
As at March 31, 2021	307.17	307.17
ACCUMULATED DEPRECIATION/IMPAIRMENT		
As at April 1, 2019	-	-
Depreciation for the year	31.60	31.60
As at March 31, 2020	31.60	31.60
Depreciation for the year	61.20	61.20
As at March 31, 2021	92.80	92.80
Net Carrying value as at March 31, 2021	**214.37**	**214.37**
Net Carrying value as at March 31, 2020	**49.91**	**49.91**

Notes to Financial Statements for the year ended 31st March, 2021

Notes:

i. Leased Assets

Property, Plant and Equipment includes the following amounts where the company is a lessee under finance lease:

(₹ in Lakhs)

Particulars	31-Mar-21	31-Mar-20
Land		
Cost	2,796.32	2,796.32
Accumulated Depreciation	(239.50)	(191.60)
Net carrying amount	**2,556.82**	**2,604.72**
Vehicles		
Cost	133.56	90.68
Accumulated Depreciation	(8.01)	(48.55)
Net carrying amount	**125.55**	**42.13**

The company has entered into long-term leasing arrangements for land with government authorities which are in the nature of finance lease. These arrangements do not involve any material recurring payments, hence other disclosures are not given.

The lease term in respect of vehicles acquired under finance lease are generally for three to seven years.

ii. Property, Plant and Equipment pledged as security against borrowings by the company

Refer to Note 39 for information on property, plant and equipment pledge as security by the company

iii. Deferral/Capitalisation Of Exchange Differences

The Ministry of Corporate Affairs (MCA) has issued the amendment dated December 29, 2011 to AS 11 'The Effects of Changes in Foreign Exchange Rates' , to allow companies deferral/capitalization of exchange differences arising on long-term foreign currency monetary items. In accordance with the amendment/earlier amendment to AS 11 read with Para D13AA of Ind AS 101 'First time adoption of Indian Accounting Standard', the Company has capitalised exchange loss, 'arising on long-term foreign currency loan to the cost of plant and equipment.

iv. Assets under Construction

Capital work in progress mainly comprises new building and manufacturing unit being constructed in India

v. Contractual Obligations

Refer to Note 33 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Financial Statements for the year ended 31st March, 2021

5. INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Trademarks / Patent	Total
GROSS CARRYING VALUE		
As at April 1, 2019	229.92	229.92
Additions / Deductions	-	-
As at March 31, 2020	**229.92**	**229.92**
Additions / Deductions	-	-
As at March 31, 2021	**229.92**	**229.92**
ACCUMULATED AMORTISATION AND IMPAIRMENT		
As at April 1, 2019	65.52	65.52
Amortisation for the year	21.84	21.84
As at March 31, 2020	87.36	87.36
Amortisation for the year	21.84	21.84
As at March 31, 2021	**109.20**	**109.20**
Net Carrying value as at March 31, 2021	**120.72**	**120.72**
Net Carrying value as at March 31, 2020	**142.56**	**142.56**

i. Significant Estimate: Useful Life of Intangible Assets

6. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(A) INVESTMENTS		
Non Current		
(1) Investments carried at fair value through Profit and Loss		
(a) Investments in Equity Instruments		
Quoted		
505 (Previous Year 505) Equity shares of Union Bank of India of INR 10 each fully paid	0.17	0.15
9000 (Previous Year 9000) Equity Shares of Bank of Baroda of INR 2 each fully paid	6.67	4.82
Unquoted		
16000 (Previous Year 16000) Equity Shares of the Kapol Co.op.Bank Limited of INR 10 each fully paid up	1.60	1.60
600 (Previous Year 600)Equity Shares of Jeedimetla Effluent Treatment Limited of INR 100 each fully paid up	0.60	0.60
100 (Previous Year 100) Equity Shares of The Zoroastrain Co.op.Bank Limited of INR 25 each fully paid up	0.03	0.03
(b) Investments in bonds		
Unquoted		
20(Previous year 20) 20 yrs Deep Discount Bonds of Sardar Sarovar Narmada Nigam Limited of INR 3600 eachfully paid up	10.00	10.00
Total	**19.07**	**17.20**

Notes to Financial Statements for the year ended 31st March, 2021

6. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(2) Investments carried at Amortised Cost		
Investments in Government or trust securities		
Unquoted		
National Savings Certificates [including INR 0.33 lacs (previous year INR 0.33 lacs) deposited as security with various Government and Semi Government departments](NSC worth INR 0.1 lacs is held in the name of director of the Company)	0.43	0.43
5 1/2 yrs Kisan Vikas Patra (including INR 0.1 lacs deposited as security with sales tax authority at Daman)	0.15	0.15
Total	**0.58**	**0.58**
(3) Investments carried at Cost		
Investments in Equity Instruments		
Subsidiaries		
Unquoted		
9,900 (Previous year 9,900), Equity Shares of Themis Life Style Private Limited INR 10 fully paid up	0.99	0.99
1000 (Previous Year 1000) Equity Share of Carpo Medical Limited of GBP 1/- each fully paid up	0.76	0.76
47,500 (Previous Year 47,500) Equity Shares of Artemis Biotech Ltd. of Rs.10/- each fully paid up	4.75	4.75
Associates		
Unquoted		
26,208 (Previous year 26,208), Equity Shares of INR 100 each fully paid up of Long Island Nutritionals Private Limited	48.69	48.69
Quoted		
3,369,605 (Previous Year 3,369,605) shares of INR 5 each of Gujarat Themis Biosyn Limited fully paid up	336.96	336.96
Joint Venture		
Unquoted		
6,860,000(Previous Year 6,860,000) Equity shares of Richter Themis Medicare (India) Private Limited of INR 10 each fully paid up	686.00	686.00
Total	**1,078.15**	**1,078.15**
Total	**1,097.80**	**1,095.93**
Aggregate amount of quoted investments	343.80	341.93
Market value of quoted investments	6,869.05	3,280.22
Aggregate amount of unquoted investments	754.00	754.00
Aggregate amount of impairment in the value of investments	-	-
Investments carried at amortised cost	0.58	0.58
Investments carried at fair value through profit and loss	19.07	17.20
Investments carried at cost	1,078.15	1,078.15

Notes to Financial Statements for the year ended 31st March, 2021

6. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(B) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Bank Deposits with more than 12 months maturity	28.13	30.74
Total	**28.13**	**30.74**
Current		
Financial assets carried at amortised cost		
Security Deposits	455.26	408.66
Interest / Dividend Receivable	16.61	16.61
Insurance Claim	60.10	60.10
Total	**531.97**	**485.37**

7. INVENTORIES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(Valued at lower of Cost and Net Realisable value)		
Raw materials		
In Stock	1,213.57	895.70
In Transit	34.42	69.55
Work-in-process	1,349.89	1,381.42
Finished goods	2,603.14	2,444.71
Stores and spares	18.55	14.77
Packing Material and Power and Fuel	629.87	618.13
Total	**5,849.44**	**5,424.28**

8. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current		
Trade Receivables from customers	6,496.91	5,775.90
Receivables from other related parties	1,299.39	4,507.89
Total	**7,796.30**	**10,283.79**

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to NIL (Previous year INR NIL).

Trade or Other Receivable due from firms or private companies in which any director is a partner, a director or a member amounted to INR 1,299.39 Lakhs (Previous year INR 4,507.89 Lakhs).

9. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Balances with banks on current accounts	1,896.22	329.38
Cash on hand	4.25	3.43
Total	**1,900.47**	**332.81**

Notes to Financial Statements for the year ended 31st March, 2021

10. OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Balances with banks to the extent held as margin money	325.47	145.75
Deposits with banks to the extent held as margin money	235.75	49.25
Deposits account towards share application	0.33	0.33
Total	**561.55**	**195.33**

11. OTHER ASSETS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Payment of taxes (net of provisions)	282.99	290.69
Gratuity fund	202.78	231.35
Total	**485.77**	**522.04**
Current		
Advances other than Capital advances		
- Advances to Related Parties	174.66	172.48
- Staff Advance and Imprest Cash	54.89	40.80
Others		
- Prepaid expenses	402.62	399.04
- Balances with Statutory, Government Authorities	1,290.47	686.77
- Other current assets	109.46	107.01
Total	**2,032.10**	**1,406.10**

12. INCOME TAX

Deferred Tax

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Deferred tax relates to the following:		
Depreciation for tax purposes	(1,023.88)	(1,122.89)
Land revalued at fair value on date of transition	(420.39)	(420.39)
Temporary difference in the carrying amount of investments	(1.91)	(1.91)
Provision for employee benefits	393.54	365.47
Temporary difference in the carrying amount of financial instruments at amortised cost	(4.54)	(4.54)
MAT Credit Entitlement	-	303.08
Loss allowances on trade receivables	444.79	494.79
Losses available for offsetting against future taxable income	519.89	845.38
Others	(2.33)	(1.75)
Net Deferred Tax Assets / (Liabilities)	**(94.83)**	**457.24**

Movement in deferred tax liabilities/assets

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Opening balance as of April 1 2020	**457.24**	**663.74**
Tax income/(expense) during the period recognised in profit or loss	(562.78)	(209.30)
Tax income/(expense) during the period recognised in OCI	10.71	2.81
Closing balance as at March 31 2021	**(94.83)**	**457.24**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to Financial Statements for the year ended 31st March, 2021

Major Components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are as follows:

i. Income tax recognised in profit or loss **(₹ in Lakhs)**

	2020-21	2019-20
Current income tax charge	-	-
Adjustment in respect of current income tax of previous year	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	562.78	209.30
Income tax expense recognised in profit or loss	**562.78**	**209.30**

ii. Income tax recognised in OCI

	March 31, 2021	March 31, 2020
Net loss/(gain) on remeasurements of defined benefit plans	10.71	2.81
Income tax expense recognised in OCI	**10.71**	**2.81**

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31,2021 and March 31, 2020

	March 31, 2021	March 31, 2020
Accounting profit before income tax	**3,224.83**	**1,800.50**
Enacted tax rate in India	25.17%	25.17%
Income tax on accounting profits	**811.62**	**453.15**
Tax Effect of		
Other non taxable income		
Depreciation	54.83	82.72
Expenses not allowable or considered separately under Income Tax	17.05	70.86
Non-deductible expenses for tax purposes:		
Expenses allowable and others	(54.52)	(31.59)
Losses carried adjusted during the year	(828.98)	(575.15)
Recognition of deferred tax relating to origination and reversal of temporary differences	562.78	209.30
Tax at effective income tax rate	**562.78**	**209.30**

13. SHARE CAPITAL

i. Authorised Share Capital **(₹ in Lakhs)**

	Equity Share	
	Number	Amount
At April 1, 2020	1,00,00,000	1,000.00
Increase/(decrease) during the year	-	-
At March 31, 2021	**1,00,00,000**	**1,000.00**

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements for the year ended 31st March, 2021

ii. Issued Capital

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2020	**91,87,992**	**918.80**
Issued during the period	462	0.05
At March 31, 2021	**91,88,454**	**918.85**

iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Dr. Dinesh S. Patel	8,72,057	9.49	8,72,057	9.49
Jayshree D. Patel	6,67,664	7.27	6,67,664	7.27
Dr. Sachin D. Patel	5,51,655	6.00	5,51,655	6.00
Vividh Margi Investment Private Limited	14,52,842	15.81	14,52,842	15.81
Vividh Distributors Private Limited	7,16,100	7.79	7,16,100	7.79
Gedeon Richter Investment Management Limited	8,84,308	9.62	8,84,308	9.62

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

v. Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 32.

14. OTHER EQUITY

i. Reserves and Surplus (₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Capital Reserve	30.00	30.00
Securities Premium Reserve	3,506.07	3,504.57
General Reserve	6,733.76	6,733.76
Share Based Payment Reserve	36.55	48.73
Retained Earnings	3,897.82	1,198.34
Property, Plant and Equipment Reserve	3,457.20	3,497.22
Total	**17,661.40**	**15,012.62**

Notes to Financial Statements for the year ended 31st March, 2021

(a) Capital Reserve **(₹ in Lakhs)**

	March 31, 2021	March 31, 2020
Opening balance	30.00	30.00
Add/(Less):	-	-
Closing balance	**30.00**	**30.00**

Capital reserve is created as per the provisions of the Companies Act, 2013.

(b) Securities Premium **(₹ in Lakhs)**

	March 31, 2021	March 31, 2020
Opening balance	3,504.57	3,481.68
Add/(Less):		
Issue of equity shares	1.50	22.89
Closing balance	**3,506.07**	**3,504.57**

The amount received in excess of face value of the equity shares is recognised in Share Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(c) General Reserve **(₹ in Lakhs)**

	March 31, 2021	March 31, 2020
Opening balance	6,733.76	6,733.76
Add/(Less):	-	-
Closing balance	**6,733.76**	**6,733.76**

(d) Share Based Payment Reserve **(₹ in Lakhs)**

	March 31, 2021	March 31, 2020
Opening balance	48.73	59.67
Add/(Less):		
Employee compensation expense recognised during the year	-	-
Transfer to retained earnings	(12.18)	(10.94)
Closing balance	**36.55**	**48.73**

The Company has three share option schemes under which options to subscribe for the company's shares have been granted to certain executives and senior employees.

The Share based payment reserve is used to recognise the value of equity settled share based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 32 for further details of these plans.

(e) Retained Earnings **(₹ in Lakhs)**

	March 31, 2021	March 31, 2020
Opening balance	1,198.34	(426.74)
Net Profit/(Loss) for the year	2,662.05	1,591.20
Add/(Less):		
Dividend	(160.79)	-
Transfer from property, plant and equipment reserve in respect of depreciation	40.02	40.02
Transfer from share based payment reserve	12.18	10.94
Ind AS 116 implementation (Lease Assets)	-	(8.72)
Ind AS Fair Valuation (FCL)	177.87	-
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of post employment benefit obligation, net of tax	(31.85)	(8.36)
Closing balance	**3,897.82**	**1,198.34**

Notes to Financial Statements for the year ended 31st March, 2021

(f) Property, Plant and Equipment Reserve (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Opening balance	3,497.22	3,537.24
Add/(Less):		
Transfer to retained earnings in respect of depreciation on leasehold land	(40.02)	(40.02)
Closing balance	**3,457.20**	**3,497.22**

Property, Plant and Equipment Reserves represents reserve created on revaluation of freehold land on the date of transition to Ind AS. It is a non distributable reserve.

15. BORROWINGS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Non Current Borrowings		
Secured		
(a) Term Loans From Banks	569.86	-
(b) Long term maturity of Finance Lease Obligations	99.74	14.27
Unsecured		
(c) Foreign Currency Term Loan from a Foreign Promoter	1,377.51	1,561.91
(d) Term Loan - Unsecured - Cipla Ltd.	775.75	698.87
(A)	**2,822.86**	**2,275.05**
Current Maturity of Non Current Borrowings		
Secured		
(a) Term Loans From Banks	79.61	-
(b) Long term maturity of Finance Lease Obligations	16.82	4.95
Unsecured		
(c) Foreign Currency Term Loan from a Foreign Promoter	146.73	1,084.65
(d) Term Loan - Unsecured - Cipla Ltd.	360.00	-
(B)	**603.16**	**1,089.60**
Total (A)-(B)	**2,219.70**	**1,185.45**
Current Borrowings		
Secured		
(a) Loans repayable on demand from Banks		
- Cash Credit	2,492.79	4,220.87
- Bills Discounted	916.28	855.43
- Advance as Packing Credit for Export	823.71	799.37
Unsecured		
(b) Intercorporate Deposits	1,460.00	1,785.66
Total	**5,692.78**	**7,661.33**

Notes to Financial Statements for the year ended 31st March, 2021

SECURED BORROWING

(A) TERM LOANS FROM BANKS

Secured by an equitable mortgage created by deposit of title deeds of the Company's factory land and buildings situated at Vapi, Hyderabad, Haridwar and Baroda and hypothecation of Plant & Machinery both present and future and also secured by personal guarantees of Directors of the Company

Terms of Repayment

(I) Term Loan from Union Bank of India INR 232.00 lakhs Repayable in 36 monthly installments commencing from November 2021.

(II) Term Loan from Bank of Baroda INR 341.00 lakhs Repayable in 36 monthly installments commencing from November 2021.

(B) LONG TERM MATURITIES OF FINANCE LEASE OBLIGATION

Secured By hypothecation of vehicles acquired under hire purchase arrangement.

Repayable in 36/60/84 equated Monthly Installments as per various arrangements.

UNSECURED BORROWING

(A) TERM LOAN

Company have foreign currency loan from its foreign promoter which is repayable in 22 quarterly installments commencing from December 31, 2021.

(B) TERM LOAN

Company has received interest free loan from Cipla Limited which is repayable in 6 yearly instalments up to March 31, 2026.

CURRENT BORROWINGS

Cash Credit facility from banks

Cash Credits against hypothecation of raw materials, Stock in Process, finished goods, packing material and book debts and also guaranteed by the Directors of the Company.

Notes to Financial Statements for the year ended 31st March, 2021

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current Borrowings	5,692.78	7,661.33
Non-current Borrowings	2,822.86	2,275.05
Net Debt	**8,515.64**	**9,936.38**

(₹ in Lakhs)

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings	
Net Debt as at March 31, 2019	1,494.79	6,685.50	8,180.29
Cash Inflow / (Outflow)	1,003.24	-	1,003.24
Net receipt from Current Borrowings	-	975.83	975.83
Fair valuation adjustments	(222.98)	-	(222.98)
Interest Expense			1,107.20
Interest Paid			(1,107.20)
Net Debt as at March 31, 2020	**2,275.05**	**7,661.33**	**9,936.38**
Foreign Exchange Adjustments			-
Cash Inflow / (Outflow)	725.69	-	725.69
Net receipt from Current Borrowings		(1,968.55)	(1,968.55)
Fair valuation adjustments	(177.88)	-	(177.88)
Interest Expense			1,096.57
Interest Paid			(1,096.57)
Net Debt as at March 31, 2021	**2,822.86**	**5,692.78**	**8,515.64**

15(a). LEASE LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Lease Liabilities	118.25	22.47
Total	**118.25**	**22.47**
Current		
Lease Liabilities	84.31	35.49
Total	**84.31**	**35.49**

Notes to Financial Statements for the year ended 31st March, 2021

16. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current		
Financial Liabilities at amortised cost		
Current maturities of long term debts	586.34	1,084.66
Current maturities of finance lease obligations	16.82	4.95
Un-paid Dividends	1.74	1.74
Unclaimed matured deposits	1.14	1.79
Dividend Payable (2019-20)	14.30	-
Deposits from Dealers and Suppliers	414.49	439.49
Rent Deposits	4.00	23.64
Others		
Book Overdraft	64.37	538.93
Other Payables	1,738.04	2,524.92
Total	**2,841.24**	**4,620.12**

17. TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current		
Trade Payable to Micro enterprises and Small enterprises	37.94	109.49
Trade Payable to Creditor other than Micro Enterprises and small Enterprises	3,040.26	2,858.48
Total	**3,078.20**	**2,967.97**

18. OTHER LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Current		
Advance received from Customers	941.92	-
Statutory Liabilities*	39.58	27.88
Total	**981.50**	**27.88**

*Includes GST, Excise duty, Service tax and TDS

19. PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Non Current		
Provision for employee benefits		
Leave encashment	-	-
Total	**-**	**-**
Current		
Provision for employee benefits		
Leave encashment	115.30	123.83
Gratuity	34.00	42.00
Total	**149.30**	**165.83**

Notes to Financial Statements for the year ended 31st March, 2021

20. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2020-21	2019-20
Sale of products		
Sale of Products	22,933.25	20,044.36
Other Operating Revenues		
Other Revenues	133.73	114.47
Total	**23,066.98**	**20,158.83**

21. OTHER INCOME

(₹ in Lakhs)

Particulars	2020-21	2019-20
Interest Income on Bank fixed deposits	41.21	30.37
Dividend income	192.80	0.00
Fair value gain on financial instruments at fair value through profit and loss	1.88	-
Financial Guarantee Income	-	0.63
Sundry balances written back	0.04	-
Exchange Difference	58.13	24.99
Miscellaneous Income	68.15	291.13
Total	**362.21**	**347.12**

22. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2020-21	2019-20
Raw Material		
As at beginning of the year	895.70	962.22
Add: Purchases	6,060.55	4,140.11
Less: Samples classified under other expenses	(73.51)	(190.60)
Less : As at end of the year	(1,213.57)	(895.70)
	5,669.17	4,016.03
Packing Material	1,123.25	1,121.57
Total	**6,792.42**	**5,137.60**

23. PURCHASES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2020-21	2019-20
Finished Goods	1,155.45	1,529.86
Total	**1,155.45**	**1,529.86**

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	2020-21	2019-20
Inventories as at the beginning of the year		
Work - in - process	1,381.42	1,342.37
Finished goods	2,444.71	2,134.60
Total	**3,826.13**	**3,476.97**
Less : Inventories as at the end of the year		
Work - in - process	1,349.89	1,381.42
Finished goods	2,603.14	2,444.71
Total	**3,953.03**	**3,826.13**
Net decrease / (increase) in inventories	**(126.90)**	**(349.16)**

Notes to Financial Statements for the year ended 31st March, 2021

25. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	2020-21	2019-20
Salaries, wages and bonus	3,698.81	4,105.91
Contribution to provident and other funds	281.58	288.43
Staff welfare expenses	18.59	33.17
Total	**3,998.98**	**4,427.51**

26. FINANCE COST

(₹ in Lakhs)

Particulars	2020-21	2019-20
Interest expense on debts and borrowings	1,096.57	1,107.20
Bank Charges	174.64	180.76
Total	**1,271.21**	**1,287.96**

27. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	2020-21	2019-20
Depreciation on tangible assets	771.51	773.37
Amortisation on intangible assets	21.84	21.84
Depreciation on Lease Vehicle	31.52	31.60
Depreciation on Lease Premises	29.68	-
Total	**854.55**	**826.81**

28. OTHER EXPENSES

(₹ in Lakhs)

Particulars	2020-21	2019-20
Consumption of stores and spares	195.72	168.76
Power and fuel	1,131.87	1,148.97
Processing charges	666.41	973.74
Rent	83.38	46.16
Repairs and maintenance--		
Building	8.77	25.00
Plant and Machinery	66.05	20.98
Others	80.77	89.92
Insurance	137.64	89.36
Rates and taxes	111.97	31.44
Travelling & conveyance expenses	338.55	881.32
Freight & Forwarding	593.34	414.61
Legal and professional fees	521.85	347.31
Commission	544.95	380.88
Advertisement and Sales promotion expenses	353.81	432.76
Payments to auditors *(Refer note below)*	7.84	7.68
Fair value loss on financial instrument at Fair value through profit and loss	-	7.11
Miscellaneous expenses	1,415.73	778.87
Total	**6,258.65**	**5,844.87**

Notes to Financial Statements for the year ended 31st March, 2021

(a) Details of Payments to auditors (₹ in Lakhs)

	2020-21	2019-20
As auditor		
Audit Fee	7.50	7.50
In other capacity		
Other services (certification fees)	0.34	0.10
Re-imbursement of expenses	-	0.08
Total	**7.84**	**7.68**

(b) Corporate social responsibility expenditure (₹ in Lakhs)

	2020-21	2019-20
Contribution to Rural Development Programme of the Bombay Mothers and Children Welfare Society	-	-
Contribution to Sanitary Manufacturing Unit at Jaiwadi Tribal Village	-	-
Total	**-**	**-**
Amount required to be spent as per Section 135 of the Act	5.98	6.11
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) on purposes other than (i) above	46.40	-

29. RESEARCH AND DEVELOPMENT COSTS

The Company during the period has incurred cost on research and development activities which are not eligible for capitalisation in terms of Ind AS 38 and therefore they are recognised in other expenses under statement of profit and loss. Amount charged to profit or loss during the period ended March 31, 2021: INR 849.67 Lakhs (March 31, 2020: INR 343.21 Lakhs) details of which are as follows:

(₹ in Lakhs)

Particulars	2020-21	2019-20
On Revenue Account :		
Manufacturing Expenses		
Material	22.81	5.60
Other Expenses	826.86	337.61
Total Research & Development Expenditure	**849.67**	**343.21**

Notes to Financial Statements for the year ended 31st March, 2021

30. EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	2020-21	2019-20
(a) Basic earnings per share (INR)	28.97	17.32
(b) Diluted earnings per share (INR)	28.96	17.32
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	2,662.05	1,591.20
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	2,662.05	1,591.20
Adjustments for calculation of diluted earnings per share:	-	-
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**2,662.05**	**1,591.20**
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	91,88,454	91,87,992
Adjustments for calculation of diluted earnings per share:		
Employee Stock Options	2,969	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**91,91,423**	**91,87,992**

31. EMPLOYEE BENEFIT OBLIGATIONS

(₹ in Lakhs)

	March 31, 2021			March 31, 2020		
	Current	Non Current	Total	Current	Non Current	Total
Provisions						
Leave obligations	115.30	-	**115.30**	123.83	-	**123.83**
Employee Benefit Obligations	**115.30**	**-**	**115.30**	**123.83**	**-**	**123.83**
Plan Assets						
Gratuity		202.78	**202.78**		231.35	**231.35**
Employee Benefit Plan Assets	**-**	**202.78**	**202.78**	**-**	**231.35**	**231.35**

(i) Leave Obligations

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 115.30 Lakhs (March 31, 2020: INR 123.83 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

Notes to Financial Statements for the year ended 31st March, 2021

(ii) Post Employment obligations

a) 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 five 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 by 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 amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows **(₹ in Lakhs)**

	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2019	200.77	419.55	218.78
Current service cost	35.29	-	(35.29)
Interest expense/(income)	15.62	32.64	17.02
Error in Reconciliation	-	-	-
Total amount recognised in profit or loss	**50.91**	**32.64**	**(18.27)**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(18.37)	(18.37)
(Gain)/Loss from change in financial assumptions	20.32	-	(20.32)
Experience (gains)/losses	(27.53)	-	27.53
Total amount recognised in other comprehensive income	**(7.21)**	**(18.37)**	**(11.16)**
Employer contributions	-	42.00	42.00
Benefit payments	(9.19)	(9.19)	-
As at March 31, 2020	**235.28**	**466.63**	**231.35**
Current service cost	43.86	-	(43.86)
Interest expense/(income)	16.12	31.96	15.84
Error in Reconciliation	-	-	-
Total amount recognised in profit or loss	**59.98**	**31.96**	**(28.02)**
Remeasurements			
Return of plan assets, excluding amount included in interest (income)	-	(29.83)	(29.83)
(Gain)/Loss from change in financial assumptions	(2.57)	-	2.57
Experience (gains)/losses	15.30	-	(15.30)
Total amount recognised in other comprehensive income	**12.73**	**(29.83)**	**(42.56)**
Employer contributions	-	42.00	42.00
Benefit payments	(63.39)	(63.39)	-
As at March 31, 2021	**244.60**	**447.38**	**202.78**

Notes to Financial Statements for the year ended 31st March, 2021

The major categories of plan assets of the fair value of the total plan assets are as follows (₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Contribution to LIC	447.38	466.63

The significant actuarial assumptions were as follows:

	March 31, 2021	March 31, 2020
Discount rate	6.95%	6.85%
Expected return on plan assets	6.95%	6.85%
Salary growth rate	4.00%	4.00%
Employee turnover rate	1.00%	1.00%

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is shown below: (₹ in Lakhs)

Assumptions	Discount rate		Expected return on plan assets		Salary growth rate	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
March 31, 2021						
Impact on defined benefit obligation	(12.21)	13.30	3.51	(3.78)	13.63	(12.59)
% Impact	-4.99%	5.44%	1.43%	-1.55%	5.57%	-5.15%
March 31, 2020						
Impact on defined benefit obligation	(11.34)	12.42	3.14	(3.41)	12.71	(11.69)
% Impact	-4.82%	5.28%	1.34%	-1.45%	5.40%	-4.97%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years: (₹ in Lakhs)

	March 31, 2021	March 31, 2020
1st following year	17.08	37.01
2nd following year	7.60	5.82
3rd following year	18.29	13.41
4th following year	14.68	16.44
5th following year	35.13	16.32
Sum of Years 6 to 10	61.33	66.12
Sum of Years 11 and above	458.19	427.29
Total expected payments	**612.30**	**582.41**

The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years (March 31, 2020: 11 years)

b) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 199.33 Lakhs (March 31, 2020: INR 214.15 Lakhs)

Notes to Financial Statements for the year ended 31st March, 2021

32. SHARE BASED PAYMENTS

(a) Employee option plan

The Company implemented Themis Medicare Employee Stock Option Scheme 2012 (herein after referred to as "Themis Medicare ESOS 2012" or “the Scheme”) as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors.

The purpose of this Scheme is to promote the success of the Company and its subsidiaries and the interest of its shareholders by rewarding, attracting, motivating, and retaining Employees for high levels of individual performance, for efforts to improve the financial performance of the Company.

The Employee Stock Option Plan (ESOP) is designed to provide incentives to eligible employees to deliver long term returns. Under the plan, participants are granted options which vest upon completion of 1 year of service from the grant date. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of 5 years. When exercisable, each option is convertible into one equity share.

Movement during the period

The number and weighted average exercise prices (WAEP) of the options and movement during the period is as follows

	March 31, 2021		March 31, 2020	
	Number of options	WAEP	Number of options	WAEP
Opening balance	25,466	314.57	34,478	308.67
Granted duing the period	20,000	303.00	-	-
Exercised during the period*	462	334.75	7,050	334.75
Forfeited during the period	-	-	-	-
Expired during the period	2,000	77.85	1,962	138.34
Closing balance	**43,004**	**319.98**	**25,466**	**314.57**
Exercisable	29,004	328.18	25,466	314.57

*The weighted average share price at the date of exercise of options during the period ended March 31, 2021 was INR 400.16 (March 31, 2020: INR 377.50)

Share options outstanding at the end of the period have the following expiry date and exercise prices

Grant	Expiry date	Exercise price (INR)	Share options	Share options
			31-Mar-21	31-Mar-20
G1-31/07/2012	31/07/2020	77.85	-	2,000
G2-10/02/2016	10/02/2024	334.75	23,004	23,466
G3-14/11/2019	19/12/2027	303.00	20,000	-
Total			**43,004**	**25,466**
Weighted average remaining contractual life of options outstanding at the end of period			4.7 years	1.8 years

(b) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

(₹ in Lakhs)

	March 31, 2021	March 31, 2020
Employee stock option	-	-

Notes to Financial Statements for the year ended 31st March, 2021

33. COMMITMENTS AND CONTINGENCIES

A. Commitments (₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	128.34	159.74
(b) Other Commitments		
(i) Liability on account of Custom duty on goods in bonded warehouse or in transit is, as per the Company's practice charged to Profit and Loss Account only in the year in which the goods are cleared from the Custom. This accounting policy has no effect on the Profit for the year.	-	3.56
	128.34	**163.30**

B. Contingent Liabilities (₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
i. Claim against the company not acknowledged as debt		
(i) The Ministry of Chemicals & Fertilizers ,Government of India has raised demand under Drug Price Control Order,1979 / 1995 for difference in actual price and price of respective bulk drug allowed while fixing the prices of certain life saving formulations which are disputed by the Company. The Company has preferred Appeals before Honorable High Courts of Gujarat and Bombay in respect of Bulk Drug Rifampicin and Ethambutol respectively, for grant of ad interim stay. While allowing the stay, The Honorable High Court Gujarat directed the Company to deposit Principal Liability of INR 34.80 lakhs out of the total liability of INR 126.08 lakhs as worked out by the Department of Chemicals & Fertilizers, Govt. of India. The Company has already complied with the directions of the Honorable Court. In respect of Liability for Bulk Drug Ethambutol, the Honorable Bombay High Court had directed the Company to submit Bank Guarantee of Principle amount with Court & stayed the matter. The Company has complied with the direction of the Honorable High Court. Similarly, a demand notice is received during a previous year from NPPA, New Delhi, in respect of Formulation Tetracox, The Company has preferred Writ Petition at Honorable High Court Uttarakhand, Nainital, as well for stay of demand. The matter is pending before the High Court.	435.98	435.98
(ii) Others	0.87	0.87
ii. Guarantees excluding financial guarantees		
Bank Guarantees	433.41	243.32
iii. Other money for which the company is contingently liable		
(i) In respect of Letter of Credit	364.36	143.41
(ii) Disputed VAT Liability as the matters are in appeal	39.38	17.60
(iii) Customs duty payable on raw materials imported under duty exemption scheme in case of non-fulfillment of export obligation.	253.28	243.12
(iv) Disputed Income Tax Liability as the matters are in appeal	-	29.47
	1,527.28	**1,113.77**

Notes to Financial Statements for the year ended 31st March, 2021

34. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Country of Incorporation
Subsidiary	
Themis Life Style Private Limited	India
Carpo Medical Limited	United Kingdom
Artemis Biotech Limited	India
Associate	
Long Island Nutritionals Private Limited	India
Gujarat Themis Biosyn Limited	India
Joint Venture	
Richter Themis Medicare (India) Private Limited	India
Enterprises over which KMPs are able to exercise significant influence	
Themis Distributors Private Limited	India
Vividh Distributors Private Limited	India
Vividh Margi Investments Private Limited	India
Pharmaceutical Business Group (India) Limited	India
Key Managerial Personnel	
Dr. Dinesh S. Patel (Executive Vice Chairman)	
Dr. Sachin D. Patel (Managing Director and CEO)	
Jayshree D. Patel	
Tushar J. Dalal (Chief Financial Officer)	
Sangameshwar Iyer (Company Secretary)	
Non - Executive Directors / Independent Directors	
Humayun Dhanrajgir	
Vijay Gopi Kishan Agarwal	
Hoshang Noshirwan Sinor	
Rajneesh Kedarnath Anand	
Hariharan Subramaniam	
Lajos Kovacs	
Gulasci Mihaly Gabor	
Manjul Sandhu	
Relative of Key Managerial Personnel	
Reena S. Patel	

Notes to Financial Statements for the year ended 31st March, 2021

(ii) Transactions with related parties (₹ in Lakhs)

Name	Nature of Transaction	March 31, 2021	March 31, 2020
Vividh Distributors Private Limited	Sale of finished goods	735.15	899.80
	Freight and other Expenses	0.41	2.02
Themis Distributors Private Limited	Sale of finished goods	3,182.48	5,673.33
	Freight and other Expenses	16.86	1.46
Vividh Margi Investments Private Limited	Sale of finished goods	812.87	676.80
	Freight and other Expenses	1.90	1.08
	Electricity Charges	4.21	4.23
	Telephone Charges	0.16	0.03
Richter Themis Medicare (India) Private Limited	Purchase of goods	-	11.40
	Dividend Income	137.20	-
Gujarat Themis Biosyn Limited	Sale of finished goods	-	0.95
	Purchase of goods	21.76	-
	Dividend Income	55.60	-
Long Island Nutritionals Private Limited	Purchase of goods	-	3.18
Pharmaceutical Business Group (India) Limited	Interest Expenses	17.88	17.88
Carpo Medical Limited	Sale of finished goods	-	-

(iii) Outstanding Balances: (₹ in Lakhs)

Name	March 31, 2021	March 31, 2020
Trade Receivables / (Payables):		
Vividh Distributors Private Limited	147.69	62.40
Themis Distributors Private Limited	1,014.03	4,402.97
Vividh Margi Investments Private Limited	99.54	(21.88)
Richter Themis Medicare (India) Private Limited	-	(32.32)
Gujarat Themis Biosyn Limited	(206.72)	(141.28)
Carpo Medical Limited	35.36	35.36

(iv) Key management personnel compensation (₹ in Lakhs)

	March 31, 2021	March 31, 2020
Short term employee benefits	233.24	234.18
Post-employment benefits	-	-
Long term employee benefits*	-	-
Directors sitting fees	15.60	10.40
Employee share based payment	-	-
Total	**248.84**	**244.58**

*The amounts of Long term employee benefits cannot be separately identified from the composite amount advised by the actuary/valuer.

Notes to Financial Statements for the year ended 31st March, 2021

(v) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2020: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

35. SEGMENT REPORTING

The company primarily operates in one business segment only i.e. Pharmaceuticals, which is the only reportable segment. There is no other segment which requires reporting as per Ind AS 108 "Operating Segments".

Information about geographical areas

Revenue from external customers

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Lakhs)

	March 31, 2021	March 31, 2020
India	12,983.94	13,248.71
Outside India	9,949.31	6,795.65
Total	**22,933.25**	**20,044.36**

Revenue arising from sale of products to two customers amounted to INR 3,337.31 Lakhs and INR 3,182.48 Lakhs (March 31, 2020: two customers amounted to INR 2,158.44 Lakhs and INR 5,111.06 Lakhs), exceeds 10% of revenue from operations of the Company.

36. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category **(₹ in Lakhs)**

Particulars	Carrying Amount		Fair Value	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
FINANCIAL ASSETS				
Amortised cost				
Investments in Government Securities	0.58	0.58	0.58	0.58
Trade Receivables	7,796.30	10,283.79	7,796.30	10,283.79
Cash and Cash Equivalents	1,900.47	332.81	1,900.47	332.81
Security Deposits	455.26	408.66	455.26	408.66
Other Bank Balances	561.55	195.33	561.55	195.33
Other Financial Assets	104.84	107.45	104.84	107.45
FVTPL				
Investment in Equity Instruments	9.07	7.20	9.07	7.20
Investments in Bonds and Debentures	10.00	10.00	10.00	10.00
Total	**10,838.07**	**11,345.82**	**10,838.07**	**11,345.82**
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	8,515.64	9,936.38	8,515.64	9,936.38
Trade Payables	3,078.20	2,967.97	3,078.20	2,967.97
Other financial liabilities	2,440.64	3,588.48	2,440.64	3,588.48
Total	**14,034.48**	**16,492.83**	**14,034.48**	**16,492.83**

Notes to Financial Statements for the year ended 31st March, 2021

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

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement: **(₹ in Lakhs)**

Particulars	March 31, 2021				March 31, 2020			
	Fair value measurement using			Total	Fair value measurement using			Total
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets Fair Value Through Profit and Loss								
Investment in Equity Instruments	6.84	-	2.23	9.07	4.97	-	2.23	7.20
Investments in Bonds and Debentures	-	-	10.00	10.00	-	-	10.00	10.00
Total Assets	**6.84**	**-**	**12.23**	**19.07**	**4.97**	**-**	**12.23**	**17.20**

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Notes to Financial Statements for the year ended 31st March, 2021

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

The fair value of unquoted equity instruments and unquoted bonds is not significantly different from their carrying value and hence the management has considered their carrying amount as fair value.

iv. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

37. FINANCIAL RISK MANAGEMENT

The Company's activity exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictibility of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i. Credit risk management

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Notes to Financial Statements for the year ended 31st March, 2021

(B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations. Also, the Company has unutilized credit limits with banks.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

Maturities of financial liabilities

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

(₹ in Lakhs)

Contractual maturities of financial liabilities		Contractual cash flows			
Particulars	**Carrying Amount**	**Total**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**
March 31, 2021					
Borrowings	8,515.64	9,361.51	6,579.40	2,771.19	10.91
Trade payables	3,078.20	3,078.20	3,078.20	-	-
Other financial liabilities	2,440.64	2,440.64	2,440.64	-	-
Total financial liabilities	**14,034.48**	**14,880.35**	**12,098.24**	**2,771.19**	**10.91**
March 31, 2020					
Borrowings	9,936.38	10,271.88	8,971.83	1,300.05	-
Trade payables	2,967.97	2,967.97	2,967.97	-	-
Other financial liabilities	3,588.48	3,588.48	3,588.48	-	-
Total financial liabilities	**16,492.83**	**16,828.33**	**15,528.28**	**1,300.05**	**-**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity risk.

(i) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the external commercial borrowings and export receivables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

Notes to Financial Statements for the year ended 31st March, 2021

(a) The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows

(₹ in Lakhs)

	USD	EURO	AUD	GBP	Total
March 31, 2021					
Trade Receivables	2,261.62	56.23	-	**35.36**	**2,353.21**
Trade Payable	(82.62)	(0.23)	(11.13)	**-**	**(93.98)**
Foreign Currency Borrowings	(1,377.51)	-	-	**-**	**(1,377.51)**
Other receivables	-	-	-	**-**	**-**
Net exposure to foreign currency risk	**801.49**	**56.00**	**(11.13)**	**35.36**	**881.72**
March 31, 2020					
Trade Receivables	1,316.43	40.43	-	**42.78**	**1,399.64**
Trade Payable	(4.34)	(0.80)	(14.95)	**-**	**(20.09)**
Foreign Currency Borrowings	(1,561.91)	-	-	**-**	**(1,561.91)**
Other receivables	-	-	-	**-**	**-**
Net exposure to foreign currency risk	**(249.82)**	**39.63**	**(14.95)**	**42.78**	**(182.36)**

(b) Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

	2020 - 21		**2019 - 20**	
	1% Increase	**1% Decrease**	**1% Increase**	**1% Decrease**
USD	8.01	(8.01)	(2.50)	2.50
EURO	0.56	(0.56)	0.40	(0.40)
AUD	(0.11)	0.11	(0.15)	0.15
GBP	0.35	(0.35)	0.43	(0.43)
Net Increase/(decrease) in profit or loss	**8.82**	**(8.82)**	**(1.82)**	**1.82**

(ii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. Company policy is to maintain most of its borrowings at fixed rate using interest rate swaps to achieve this when necessary. During March 31, 2021 and March 31, 2020, the company's borrowings at variable rate were mainly denominated in USD.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market.

(a) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	**March 31, 2021**	**March 31, 2020**
Variable rate borrowings	1,377.51	1,561.91
Fixed rate borrowings	6,362.38	7,675.60
Total borrowings	**7,739.89**	**9,237.51**
% of borrowings at variable rate	**18%**	**17%**

Notes to Financial Statements for the year ended 31st March, 2021

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Interest rates - increase by 50 basis points*	6.89	7.81
Interest rates - decrease by 50 basis points*	(6.89)	(7.81)

*holding all other variables constant.

(iii) Commodity Price risk

The Company's operating activities involve purchase and sale of Active Pharmaceutical Ingredients (API), whose prices are exposed to the risk of fluctuation over short periods of time. Commodity price risk exposure is evaluated and managed through procurment and other related operating policies. As of March 31, 2021 and March 31, 2020 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

38. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder 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 the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within debt, interest bearing loans and borowwings, trade and other payables, less cash and cash equivalents.

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Borrowings	8,515.64	9,936.38
Trade Payables	3,078.20	2,967.97
Other Financial Liabilities	2,440.64	3,588.48
Less: Cash and Cash Equivalents	(1,900.47)	(332.81)
Less: Other Bank Balance	(561.55)	(195.33)
Net Debt	**11,572.46**	**15,964.69**
Equity Share Capital	918.85	918.80
Other Equity	17,661.40	15,012.62
Total Capital	**18,580.25**	**15,931.42**
Capital and Net Debt	**30,152.71**	**31,896.11**
Gearing Ratio	**38.38**	**50.05**

Notes to Financial Statements for the year ended 31st March, 2021

39. ASSETS GIVEN AS COLLATERAL SECURITY AGAINST BORROWINGS

The carrying amount of assets given as collateral security for current and non current borrowings are: **(₹ in Lakhs)**

Particulars	March 31, 2021	March 31, 2020
CURRENT ASSETS		
Trade Receivables	7,796.30	10,283.79
Inventories	5,849.44	5,424.28
Total current assets	**13,645.74**	**15,708.07**
NON CURRENT ASSETS		
Property, plant and equipment	12,974.53	12,241.77
Total non current assets	**12,974.53**	**12,241.77**

40. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Principal amount due to suppliers under MSMED Act, 2006*	37.94	109.49
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

*Amount includes due and unpaid of INR 37.94 Lakhs (March 31, 2020: INR 109.49 Lakhs)

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

41. DEFERRAL/CAPITALISATION OF EXCHANGE DIFFERENCES

The Ministry of Corporate Affairs (MCA) has issued the amendment dated December 29, 2011 to AS 11 "The Effects of Changes in Foreign Exchange Rates", to allow companies deferral/capitalization of exchange differences arising on long-term foreign currency monetary items. In accordance with the amendment/earlier amendment to AS 11, the Company has capitalised exchange loss, arising on long-term foreign currency loan to the cost of plant and equipments.

Accordingly foreign exchange gain/(loss) adjusted against: **(₹ in Lakhs)**

Particulars	March 31, 2021	March 31, 2020
Cost of the assets / Capital work in progress	64.86	24.88
Amortised in the current year	61.92	48.74

Notes to Financial Statements for the year ended 31st March, 2021

42. EFFECT OF COVID-19

Due to COVID-19 situation, there have been several restrictions imposed by the Governments across the globe on the travel, goods movement and transportation considering public health and safety measures, which had some impact on the Company's supply chain during March, 2021. The Company is closely monitoring the impact of the pandemic on all aspects of its business, including how it will impact its customers, employees, vendors and business partners. The management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of investments, intangible assets, inventory, based on the information available to date, both internal and external, while preparing the Company's financial results as of and for the year ended 31st March, 2021.

Significant Accounting Policies and Notes Forming Part of the Financial Statements. **1 to 42**

As per our report of even date attached

For R. P. Sardar & Co.
Chartered Accountants
Firm Registration No: 109273W

Raju P. Sardar
Proprietor
Membership No: 037845

Place: Mumbai
Date: May 27, 2021

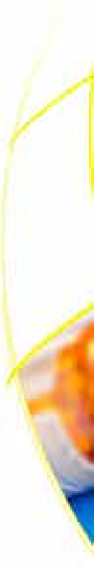
For and on behalf of the Board

Sangameshwar Iyer
Company Secretary
(Membership No.: ACS 6818)

Hoshang Sinor
Chairman
(DIN: 00074905)

Tushar J. Dalal
Chief Financial Officer

Dr. Sachin Patel
Managing Director & CEO
(DIN: 00033353)



THEMIS
MEDICARE

11/12 Udyog Nagar Industrial Estate, S. V. Road,
Goregaon (W), Mumbai - 400 104.
Website : www.themismedicare.com