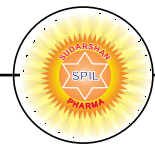




Sudarshan Pharma Industries Limited



15th  
ANNUAL  
**REPORT**  
— 2022-23 —



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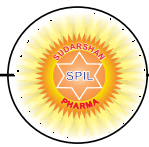
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### Forward-looking Statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This Report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

To get this report online and for any other information

log on to: [www.sudarshanpharma.com](http://www.sudarshanpharma.com)



## Chairman's Letter to Shareholders

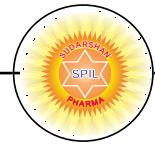
*“journey has just begun, and there are more milestones to be achieved together”.*



### Dear Shareholders,

At the outset sincere thanks and a warm welcome to the new family members, for exhibiting such a rock-hard confidence in Sudarshan Family. Sudarshan Pharma Industries Limited is a precious crown of the Sudarshan Family. It is a legacy that will carry forward in the years to come, started with a lap of IPO in SME Board, which is a set-up of a tiger lap at a speed of jaguar in near future. As the chairman I firmly believe that I carry a huge bunch of responsibilities rather than rights, but more-over I carry the most precious thing in the universe and that is the trust of Sudarshan family. Sudarshan Family is not just about investors or stakeholders rather it includes each and every person connected even at a minimal level, as in a ladder to success each step is important as they complement each other rather than competing with each other. I am happy to witness the completion of a progressive year with strong performance. This financial year witnessed an outstanding topline of ₹ 46,133.19 lakhs having growth at 29% in comparison to previous Financial Year.

We are all set in our expansion and diversification mode in a multidimensional way right from acquiring existing units and to set up our own units at different places, which are well within our reachability giving us unity of command at the same time catering to the need of the hour when growth and success matters. Research & Development (R&D) are our core element and we are aggressive in developing our own units for the same, this gives us access to the data and minute details of R&D.



As a unit our focus is on the vitamin supplemental growth along with supply of API to the largest brand well known globally. Supplement market is an un-explored area wherein players are here but not at a meticulous and precise level we are working towards. Our growth is more seen than said and our recent past performance says all about the hard-work that is done by the Sudarshan family.

As an organization we believe that goodwill and growth are two side of one coin and are incomplete if another is missing. When I say family I mean it as we are not just into number game, but we do acknowledge our responsibility towards society and we do adhere towards it at different levels which is beyond Statutory CSR, at a humanitarian level.

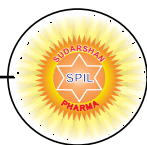
Last but not the least I urge all the members to stay strong and stay together as the “journey has just begun , and there are more milestones to be achieved together”. The joy of the journey is not while walking on a familiar path it is more joyful while going though unexplored path as a treasure is beneath the unexplored locations.

**Regards,**

**Hemal Mehta**  
**Chairman**







## BRIEF PROFILE OF THE DIRECTORS



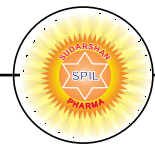
### MR. HEMAL MEHTA

Mr. Hemal Vasantrai Mehta, aged 45 years, is the Promoter and Managing Director of our Company. He holds a diploma in Chemical Engineering from Pune University. He was appointed as Managing Director with effect from 08<sup>th</sup> November, 2018. A results driven, self-motivated and resourceful managing director with a proven ability to develop and strengthen management teams in order to maximise company profitability and efficiency. Experienced leading and growing all sectors of a business to make it a dynamic and progressive organization. Possessing excellent communication skills and able to establish sustainable and profitable relationships with customers, suppliers and stakeholders across the world. With this challenging managerial position, he will make best use of existing skills and experience. He is a visionary entrepreneur and has played a pivotal role in setting up business of the Company. He primarily looks after the overall business operations and managing trade alliances & partnership arrangement with leading API manufacturers for the purchase of all kinds of Chemicals of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds. As a leader, he always delivers value to the customers and endeavour in fulfilling / exceeding their expectations and is involved in day-to-day execution of projects. With an experience of 15 years in Sourcing and Supply of Specialty Chemicals, Intermediates, API and Bulk Drugs, He has set his foot in Pharmaceuticals in the past years where he handles promotion and ethical marketing of branded and generic items.



### MR. SACHIN MEHTA

Mr. Sachin Vasantrai Mehta, aged 38 years, is the Promoter and Joint-Managing Director of our Company. He was appointed as the Joint-Managing Director with effect from 08<sup>th</sup> November, 2018. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds. As a leader, he always delivers value to the customers and endeavour in fulfilling / exceeding their expectations and is involved in day-to-day execution of projects. In a Company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations. He has more than 14 years of experience in Chemical Industry and import and Export Since 2008. He plays a crucial role in sourcing of Specialty Chemicals, Intermediates & Basic Solvents. He also looks after R&D & new Chemical entities as a head. He holds a diploma in Exports & Import Management from Indian Merchant Chambers in Mumbai and regularly immerses himself in Business Excellence programs. Currently, he is the heading discovery of new chemical entities, manufacturing of speciality chemicals and vital pharma ingredients along with job work, manufacturing, exports & chemicals supply and trading business of the companies.



#### MR. UMESH LUTHRA



Mr. Umesh Luthra, aged 40 years is the Independent Director of our Company. He was appointed as Additional Director with effect from 31<sup>st</sup> March, 2022. He was further regularised as Independent Director of the Company for a period of 5 years w.e.f. 26<sup>th</sup> September, 2022 upto 25<sup>th</sup> September, 2027. He completed his Masters of Science in Microbiology in the year 1994 and further holds a Degree of Doctor of Philosophy since year 2015. Result oriented Biotech Professional with General Management knowledge having about 27 years of Industrial experience in R & D, Project and Production. Leadership skills in a multicultural and cross functional environment to scale-up several products. Proficient in overall process development & standardization track record of developing microbial process for a number of products and intermediates. Proven abilities in Technology Transfer, scale up, process optimization, stabilization of yield and enhancing the productivity. Well versed with GLP, cGMP and Regulatory guidelines. Comprehensive knowledge of Microbiology, Fermentation, Downstream Purification and Analytical. Worked on different Primary and Secondary metabolites of following therapeutic segments: **Antibiotics, Statins, Anti-cholesterol & Anti-obesity, Immunosuppressant, Antifungal, Oncology, Enzymes, Vitamins, Nutraceuticals, Steroids and Hormones. Qualification: PhD (Microbiology) & MBA.**

#### MS JAYA ANKUR SINGHANIA

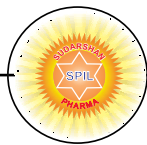


Ms. Jaya Ankur Singhania, aged 39 years is appointed as an Independent Director of our company with effect from 27<sup>th</sup> December, 2022 for a period of 5 years. She is a qualified Company Secretary from ICSI (Institute of Company Secretaries), New Delhi and also has a Diploma in Cyber Laws - Beginners and Advance from Asian School of Cyber Laws. FCS Jaya Sharma-Singhanian founded the firm Jaya Sharma & Associates in 2009 and ventured into the untapped opportunities in the corporate legal arena of Mumbai. After graduation from NM College, Mumbai, she pursued LLB from prestigious Government Law College, Mumbai, and completed CS from ICSI (Institute of Company Secretaries of India). She holds a diploma in Cyber Laws from the Asian School of Cyber Laws, Securities Law by Government Law College, Internal Audit by ICSI and is a certified CSR professional.

Her rising glory also brought her under the limelight corporate legal shelter. At the same time, she has also bagged awards like Shri Kanhaiyalal N. Dusane Wala Vakil (Nandurbar) Memorial Award and WIRC Past Chairman VK Mathur Memorial Award (for Female candidates clearing the professional exams in one attempt, scoring second highest aggregate at WIRC- ICSI) in 2007.

Having a student for life attitude, she instils and believes that learning should happen at every stage on both the professional and personal front. With this attitude, last year, during the lockdown, she completed and is a certified PoSH (Prevention of Sexual Harassment Act) trainer and is also registered as an Independent Director with the databank of IICA. She has authored numerous write-ups on corporate & allied laws. She is a motivational speaker and is a staunch believer in creating leaders as the knowledge has to be passed down and can't be retained.

Recently, she has been listed as one of the Top Best Ten Women Legal Consultants in India 2021 by Women Entrepreneur Magazine.



#### **MR. RUSHABH PATIL**

Mr. Rushabh Patil aged 29 years is appointed as an Independent Director of our company with effect from 21<sup>st</sup> July, 2023 for a period of 5 years.

Adv. Rushabh Prashant Patil is a Practicing Independent Advocate in the Bombay High Court & District courts with a demonstrated history of working in the legal fraternity. He is skilled in Drafting, Vetting, Legal Research, Legal Advice, Client Relations, Due diligence, Legal Writing and Argument. He has acted as an advisory for several clients on corporate and commercial transactions including strategic alliance and routine advisory on civil matters.

He started his career at the early age of 21 Years, by joining his family-owned business, engaged in manufacturing & supplying cattle feed additives & veterinary medicines. One of the major achievements under his leadership was when his business got registered as a partner vendor for GCMMF's (Amul) Dairies as a supplier of additives. He completed his Bachelor's in Arts with Majors in Economics & Commerce from Mumbai University in the year 2016. Thereafter, he secured another feather in his hat by completing Bachelor of Law focused in Civil, Criminal and Commercial matters from, in the year 2019. On 30<sup>th</sup> March 2021, he got enrolled as a member of the Bar Association of India. His unwavering belief in seeking knowledge from cradle to grave has motivated him to now pursue Master of Laws - LLM at Jindal Global Law School (JGLS).

He has also worked with an Agricultural start-up company named BVG Life Sciences Ltd. from 2019 to 2021 where he was responsible for Marketing and also assisted the company in procuring Government contracts.

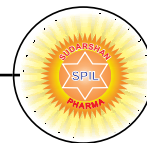
In his early 20's, he got very well connected with the field of Agriculture and closely worked with the Farmer Producer Organisations (FPO's) of Maharashtra & Gujarat. He is an effective communicator with excellent relationship building & interpersonal skills. He is proficient in analytical situations and has strong problem-solving competencies.

Currently, Adv. Rushabh Prashant Patil is also an Independent Director at Jet Freight Logistics Limited, a company listed on NSE & BSE Limited.



#### **MR. DHARAM JILKA**

Mr. Dharam Vinod Jilka, aged 30 years, is the Chief Financial Officer of our Company. He was appointed as the Chief Financial Officer of our Company at the meeting of the Board of Directors with effect from 14<sup>th</sup> October, 2021. He is an Associate member of Institute of Chartered Accountants of India. He has completed his Bachelor Commerce from Mumbai University in the year 2012 and completed his Chartered Accountancy from the Institute of Chartered Accountants of India in the year 2021. He has an experience in the field of Finance, Accounts, Taxation and Audit. Young, energetic and result oriented Finance and accounts professional with over 8 years of experience. Rich Experience in entire gamut of accounting & finance operations ensuring Timely Compliances. Co-ordination with Bankers for renewal cum Enhancement of New/ Existing Fund based Cash Credit facilities with Banks of the organization.



## CORPORATE INFORMATION

### Board of Directors

Mr. Hemal Vasantrai Mehta (DIN:02211121)	- <i>Managing Director</i>
Mr. Sachin Vasantrai Mehta (DIN: 02211178)	- <i>Joint Managing Director</i>
Mr. Umesh Luthra (DIN: 06692755)	- <i>Independent Director</i>
Mrs. Jaya Ankur Singhania (DIN:01990322)	- <i>Independent Director</i>
Mr. Rushabh Patil (DIN: 09779021)	- <i>Independent Director</i>
Mr. Rajesh Hedao (DIN: 06872419)	- <i>Independent Director</i>

### Chief Financial Officer

Mr. Dharam Vinod Jilka

### Company Secretary & Compliance Officer

Ms. Ishita Ashok Samani

### Statutory Auditors

M/s. NGST & Associates,  
Chartered Accountants

### Bankers

Union Bank of India  
Axis bank limited  
ICICI Bank Limited

### Registered Office

301,3rd Floor, Aura Biplax, Above Kalyan Jewellers  
S. V. Road, Borivali (West), Mumbai-400092  
Email ID: [compliance@sudarshanpharma.com](mailto:compliance@sudarshanpharma.com)  
Website: [www.sudarshanpharma.com](http://www.sudarshanpharma.com)

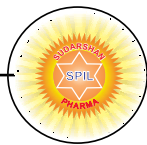
### Registrar and Share Transfer Agent

KFin Technologies Private Limited.  
Selenium Tower B, Plot No. 31 & 32,  
Financial District, Serilingampally Mandal, Hyderabad- 500 032  
Email ID: [compliance.corp@kfintech.com](mailto:compliance.corp@kfintech.com)  
Phone: +91-40-67162222/7961 1000

### Registrar and Share Transfer Agent

BSE Limited  
SME Platform  
Symbol: SUDARSHAN  
Scrip Code:543828





## MANAGEMENT DISCUSSION AND ANALYSIS



### CORPORATE GOVERNANCE

Good Corporate Governance is an integral part of our work culture and best followed industrial practice lies at the foundation of our company's business ethos. The Company believes that the management carries fiduciary responsibility towards all the investors and stake holders and is responsible for protection of their interest in the company and increase in their wealth. It is committed to high levels of ethics and integrity in all its business dealings that avoids all conflicts of interest. In order to conduct business with these principles, the company creates simple corporate structures based on business needs and maintains a high degree of transparency through regular disclosures and a focus on adequate control systems. The report of Corporate Governance is prepared in accordance with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR'). A report on Corporate Governance is annexed to this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

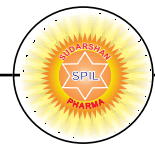
The Company was incorporated on 23<sup>rd</sup> July, 2008 as a Private Limited Company as "Sudarshan Specialty Chemsolve Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Later in the year 2016, the name of the company was changed from "Sudarshan Specialty Chemsolve Private Limited" to "Sudarshan Pharma Industries Private Limited" under the Companies Act, 2013 vide certificate of incorporation dated 17<sup>th</sup> December, 2016 issued by the Registrar of Companies, Mumbai. Subsequently, Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to 'Sudarshan Pharma Industries Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on 05<sup>th</sup> January, 2017 by the Registrar of Companies, Mumbai. The company has successfully completed Initial Public Offer ("IPO") in financial year 2022-23. Our management includes Mr. Hemal V Mehta, Chairman and Managing Director (CMD) having around 22 years of experience. Mr Sachin V Mehta having 14 years of Experience in Pharma and Chemical Industry.

Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. The domestic pharmaceutical industry includes a network of 3,000 drug companies and -10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector

### GLOBAL OVERVIEW

The global active pharmaceutical ingredients market size was valued at USD 222.4 billion in 2022 and is expected to expand at a compound annual growth rate (CAGR) of 5.90% from 2023 to 2030. The growth can be attributed to the advancements in active pharmaceutical ingredient (API) manufacturing and the rising prevalence of chronic





diseases, such as cardiovascular diseases and cancer. Favorable government policies for API production, along with changes in geopolitical situations, are boosting market growth. The API market is undergoing immense changes due to supply chain disruption by COVID-19. Countries such as India are being preferred over China for the export of API owing to geopolitical situations and the demand to reduce dependence on China for API products. Furthermore, governments of many countries have formulated plans and granted incentives to promote the production of API.

The global geriatric population is rising. According to the UN, in 2018, the population aged 65 and above is anticipated to increase from 962 million in 2018 to 2.1 billion by 2050. Aging weakens the immune system and increases a patient's susceptibility to acquiring infectious diseases. Moreover, impairment in body functions enhances the chances of getting other diseases, such as CVD and diabetes.

The captive API segment accounted for the largest revenue share of approx. 51.5% in 2022. It is anticipated to grow at a significant rate in the upcoming years owing to the easy availability of raw materials and extensive investments by major players to develop high-end manufacturing facilities. Furthermore, recent developments and initiatives by key players suggest that they are highly focused on in-house manufacturing over outsourcing

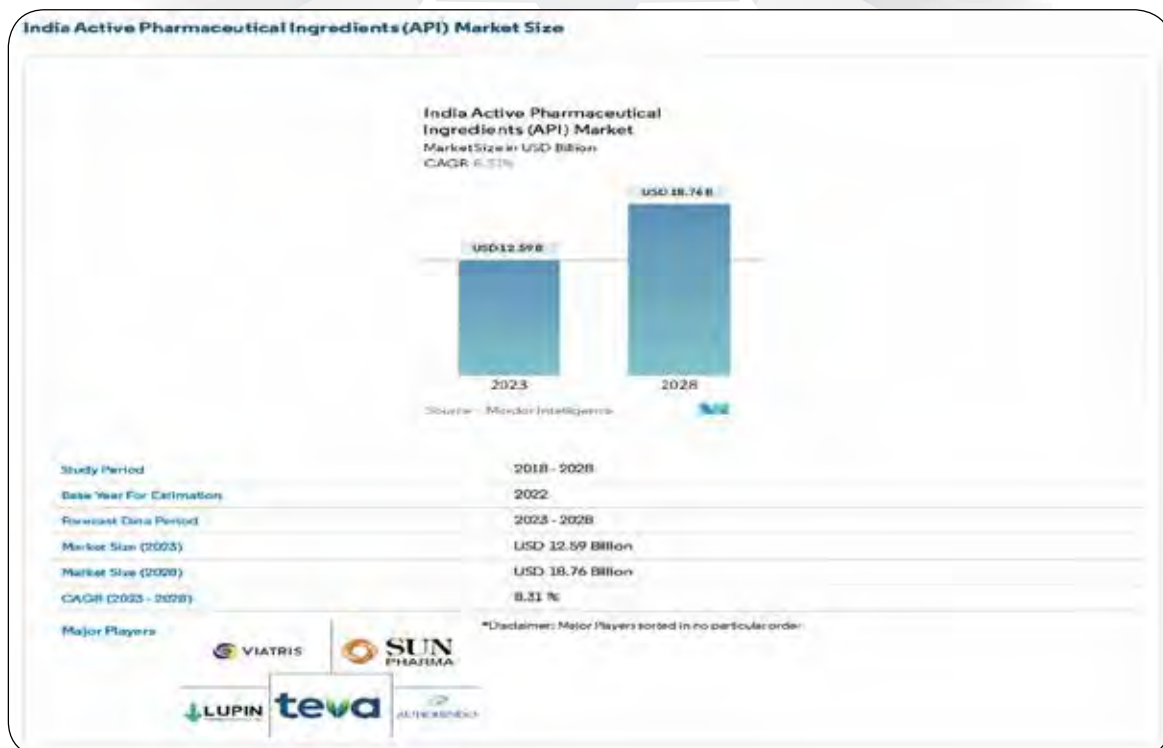
### INDIAN OVERVIEW

The India Active Pharmaceutical Ingredients (API) Market size is expected to grow from USD 12.59 billion in 2023 to USD 18.76 billion by 2028, at a CAGR of 8.31% during the forecast period (2023-2028).

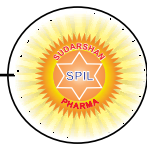
The COVID-19 pandemic not only impacted the entire pharmaceutical supply chain but also disrupted the supply of APIs from China. This led to an increase in the cost of many prescription medications and the shortage of essential drugs in the country.

The Indian pharmaceutical industry is the world's third-largest drug producer by volume. India operates over 250 facilities approved by the USFDA and UKMHRA and provides generic pharmaceuticals at affordable prices to millions of people worldwide.

The rising burden of infectious, genetic, and other chronic diseases such as cancer, diabetes, and neurological disorders is the key factor driving the market growth. For instance, as per the 2022 statistics published by IDF, about 74 million people had diabetes in 2021 in India, and this number is estimated to reach 92.9 million by 2030.



Source : <https://www.mordorintelligence.com/industry-reports/india-active-pharmaceutical-ingredients-market>



Furthermore, the government of India is taking initiatives to boost API products in the market, which will benefit market growth.

The India Active Pharmaceutical Ingredients (API) Market is Segmented by Business Mode (Captive API and Merchant API), Synthesis Type (Synthetic and Biotech), Drug Type (Generic and Branded), and Application (Cardiology, Oncology, Pulmonology, Neurology, Orthopedic, Ophthalmology, and Other Applications). The report offers the value (in USD billion) for the above segments.

The Indian active pharmaceutical ingredients market is relatively fragmented. The API market has several manufacturers focusing on expanding their footprints by adopting various business strategies such as collaborations, facility expansion, and drug approvals.

## COMPANY OVERVIEW

Sudarshan Pharma is into Specialty Chemicals & Intermediates for Pharma, agro chemicals, Coating, various other industries. We are also into Active Pharmaceuticals Ingredients manufacturing. Our main focus is on Vitamin and API. We believe that vitamins play a major role in day-to-day life and it is observed during COVID period. As a learning our focus is mainly towards factors improving immunity more and more, it is a belief that usage of vitamin supplements on daily basis may not be good, however we have been working toward improvised supplements in various flavors and multivitamin. It is very well accepted concept "*Precaution is better than cure*", we follow the same and for the betterment of society we spread awareness by arranging camps and seminars.

The company had received an approval under the Production Linked Incentives (PLI) scheme for promotion of domestic manufacturing of critical Key Starting Materials (KSM), Drug Intermediates (Dis) and Active Pharmaceutical Ingredients (APIs) in India. The key details are as under :

- 1) The first unit for Vitamin B6 (PYRIDOXINE HYDROCHLORIDE) and other APIs / Intermediates will be ready around the end of calendar year 2023, the production will commence post necessary approvals. This plant has maximum incentives of around 75% of total investment amount maximum upto ₹ 15 crores. The Company has already acquired land to set up factory for Vitamin B6 and it has applied for necessary approvals for construction of the factory.
- 2) The second unit Vitamin B1 and other APIs / Intermediates is expected to start operations around first quarter of calendar year 2024, it has a subsidiary incentive(s) upto ₹ 100 Crore. The Company has already acquired land to set up factory for Vitamin B1 and it has applied for necessary approvals for construction of the factory.

The company has recently setup its Unit at Palghar, Maharashtra. Key activities at this unit includes testing of raw materials to dispensing raw materials for formulations, to batch manufacturing as per approved standards, to packing of finished formulations, to storage and dispatch. Maharashtra Government policy(ies) and subsidies for new project is supportive and eases the initial financial burden required for setting up a large scale manufacturing unit.

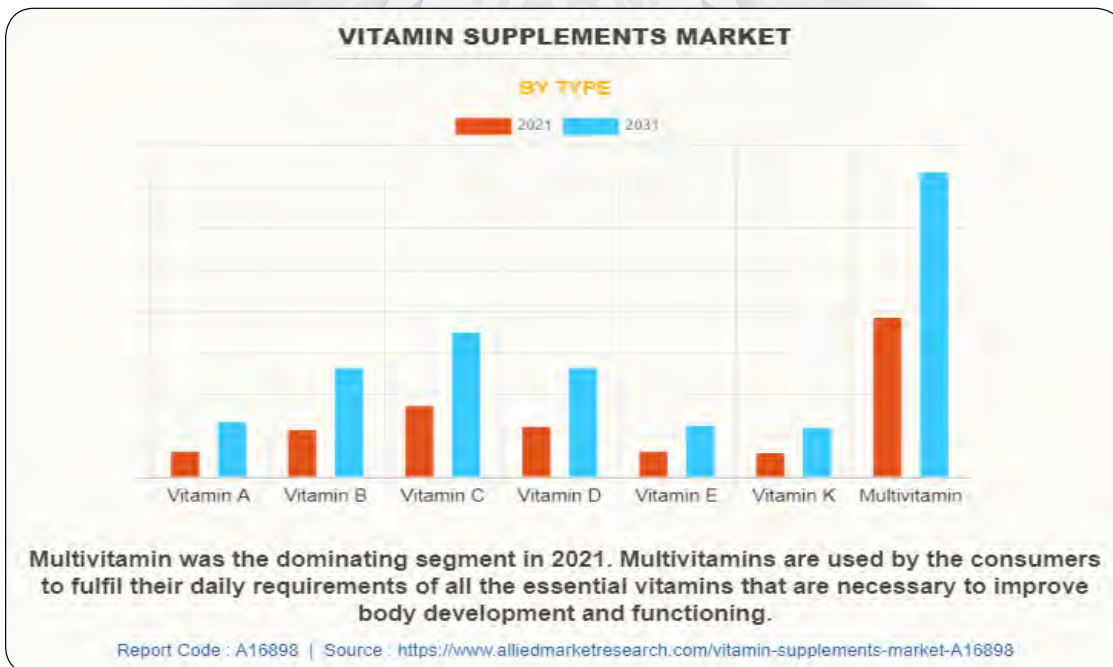


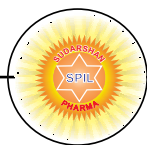


**INDUSTRY STRUCTURE AND DEVELOPMENTS**

**“Vitamins are Vital”**

The global pharmaceutical industry has witnessed a major drift post COVID-19 pandemic and rapidly mitigating the disruptions caused by it. Along with COVID vaccination precautions for COVID-19 was accepted at global levels resulting into health awareness and treatment. The global vitamin supplements market size was valued at \$47.9 billion in 2021, and is projected to reach \$98.6 billion by 2031, growing at a CAGR of 7.6% from 2022 to 2031.





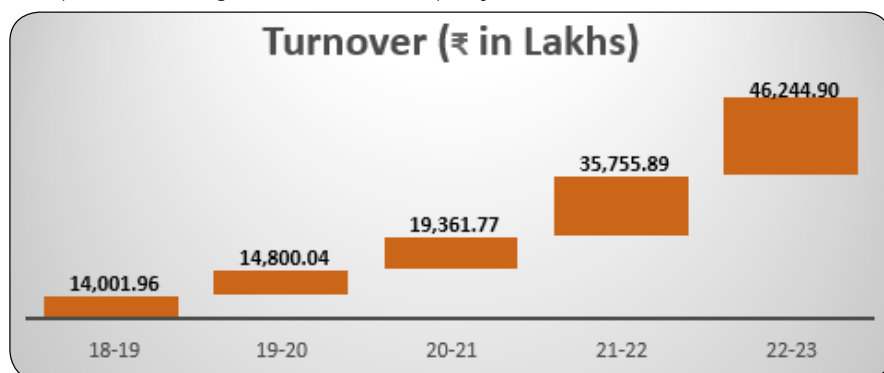
Nutrient requirements for Indians – ICMR-NIN, 2020 has advised the requisite levels of different types of vitamins, the study and recommendation by top notch regulator in India itself is a barometer on how vital vitamins in daily life. The global pharmaceutical market is approximately valued at US\$1.5 Trillion in 2023 and is expected to reach ~US\$1.8 Trillion by 2026, growing at a CAGR of 3-6%. The industry is expected to record ~5% CAGR between 2021 and 2026. Growth in developed markets will be driven by the adoption of new treatments and specialty medicines, offset by the loss of exclusivity and competition from generics and biosimilars.

## SEGMENT WISE PERFORMANCE OF THE COMPANY

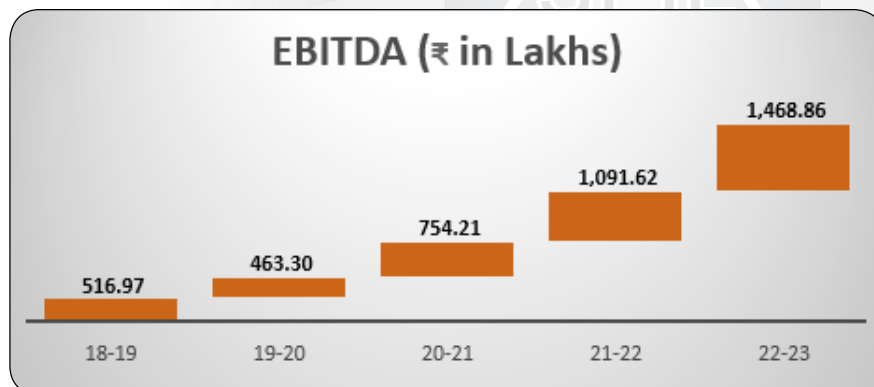
The company performs in one segment only

### *Financials*

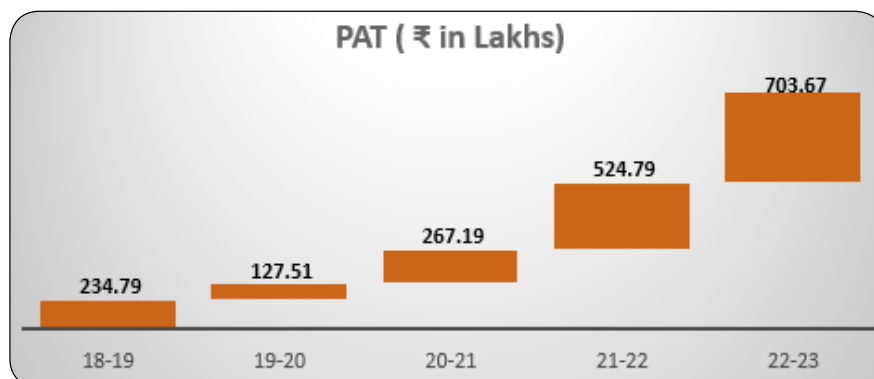
- The phenomenal growth of the company of last 5 Years is shown below in Graphical format.



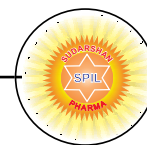
- With an investment in the new manufacturing plant, EBITDA margins for last 5 Years are set to increase multifold as shown below in graphical format.



- Comparison of Profit After Tax (PAT) for last 5 Year of the company is shown below in Graphical format







## Key Financial Ratios:

Ratios	FY 2022-23	FY 2021-22	YoY change
Current Ratio	1.68	1.26	33.33%
Debt-Equity Ratio	0.52	1.17	-55.56%
Inventory Turnover Ratio	7.10	9.46	-24.95%
Trade Receivables Turnover Ratio	5.95	5.33	11.63%
Net Capital Turnover Ratio	8.61	16.50	-47.82%
Net Profit Ratio	1.53%	1.47%	4.08%

- **Current Ratio:**

The Current Ratio is a liquidity ratio that measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities. During the financial year 2022-23, Group's current assets has been increased substantially as compared to previous year due to which its Current Ratio has been increased.

- **Debt - Equity Ratio:**

The ratio is used to evaluate a Company's financial leverage. It is a measure of the degree to which a Company is financing its operations through debt versus wholly-owned funds. It is calculated by dividing a Company's total liabilities by its shareholder's equity. During the financial year 2022-23, Group's has raised Fresh Equity through SME IPO at the end of March 2023 due to which its Equity has been increased, resulting into decrease in Debt Equity Ratio as compared to previous year.

- **Inventory Turnover Ratio:**

Inventory Turnover is the number of times a Company uses and replaces its inventory during a period. It is calculated by dividing the cost of goods sold by average inventory. During the Financial year 2022-23, sales turnover of the group increased substantially as compared to previous year due to this inventory turnover ratio improved.

- **Trade Receivables Turnover Ratio:**

The above ratio is used to quantify a Company's effectiveness in collecting its receivables or money owed by customers. The ratio shows how well a Company uses and manages the credit it extends to customers. It is calculated by dividing turnover by average trade receivables.

- **Net Capital Turnover Ratio:**

The Net Working Capital Ratio is useful tool for evaluating how efficiently a company is utilizing its working capital to produce more revenue. It is calculated by dividing revenue from operations by average working capital. During the financial year 2022-23, Sales turnover of the Group increased substantially as compared to previous year as a consequence of this decrease in net capital turnover ratio.

- **Net Profit Ratio:**

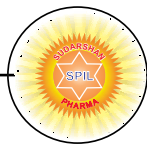
The net profit margin is equal to how much net income or profit is generated as a percentage of revenue. It is calculated by dividing the profit for the year by turnover. During the Financial Year 2022-23, with an investment in the new manufacturing plant, EBIDTA margins of the Company improved resulting into better net profit ratio as compared to previous year.

## OUTLOOK

The Company will mainly focus on expand over specialty chemicals pharmaceuticals along with continuing major segments of the Company. The management is committed to make persistent efforts to utilize IPO funds towards objective of the IPO. The company is self-sufficient in terms of business operations and cash flow. The core competency lies in quality that gives an edge over the competitors of the company.

*\*Sudarshan Pharma Industries Limited (The Company) is in the process of acquiring shares in "Ratna Lifesciences Private Limited" and making it a wholly-owned Subsidiary Company since the latter is in the same line of business and this will enable the Company to grow and reach to a new height.*





*\*Company Management is also at advance stage for about Two Project Takeover or Tie ups and is at negotiation stage with other companies and management for expansion and enhancement of Business verticals.*

## **RISK AND CONCERNS**

Looking at the scenario in India in case of pharmaceutical industry the competition is with the giant companies from abroad and, Risks associated with operating in a particular industry and include risks arising from its dynamics, in our industry it is very challenging as while excelling in our work and achieving milestones it is also an important aspect to focus on human life. There is no analogy of risk when it is human life, the same is an integral and vital part of our industry.

The Company manages monitors and reports on the quality of its products and industrial supplies to ascertain that strategic growth is not affected in any possible way. The organizational structure is designed in a way to ensure that, processes, protocols, standards, code of conduct and behaviors govern how the company conducts the business and manages associated risks.

## **FACTORS AFFECTING OUR OPERATIONS**

### • **Chemical and Pharma Industry**

The Pharma Industry is one of key industry to human life which also goes hands in hands with growth of Indian economy as pharma industry is as vital in economical as it is vital to protect human assets. These fundamentals are akin globally. In Indian economy pharma sector contributes approximately 1.80% of GDP as per public information for year 2022 and India is included in top 10 in global position in terms of pharma sectors. The statistics mentioned here are not statutory and based on data available on public platform.

### • **The Company may be exposed to dynamic health conditions**

The recent past has witnessed a high volatility in general health conditions, which makes pharma industry very much demanding with each such major change and development which increases Research expense of the Company. We as a unit are prepared and ready to meet the challenges and believe it to be a treasure hunt.

### • **High Working Capital Intensive Industry vis-à-vis high Priority Sector for Research**

In the pharma industry, research is an uninterrupted process and is cost intensive.

### • **Competition**

The main focus of the Company is in API and vitamin supplements giving us an excellent balance in terms of growth and cashflow. API gives us access to both established long-term players with a brand and at the same time vitamin supplement, allows us to cater to the end user in Indian Market. In a way we have competition with ourselves, with carrying such a unique market share.

### • **Global Economic Scenario**

Global economic scenario has changed in past couple of years wherein awareness towards health has given a boost and also simultaneously has pushed the industry to its extreme limits with robust developments at a gigantic pace. It has been a common belief that “Health is Wealth” and is being followed in letter and spirit.

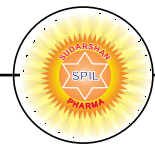
### • **Human Capital**

Company recognizes their employees to be a significant part of its accomplishments. The Company helps employee's foster ambitions and sees them improve through their learning and skill development. The Company's employees are well motivated through the performance rewarding programme.

### • **Internal Controls**

The company adheres to the internal control and procedures laid down in respective policies of the company.

The system supervises its internal business processes across departments to ensure operational efficiency, cost reduction, accountability, compliance with internal policies, applicable laws and regulation, optimum resources and assets utilization and accurate reporting of financial transactions. These transactions are well authorized, recorded and reported to the management. The company follows all Indian Accounting Standard (Ind AS) for maintaining the books of accounts and reporting of financial statements. The Audit Committee of the Board of Directors, comprising of Non-Executive Independent Directors review the quarterly Internal Audit Report provided by Internal Auditor of the Company.



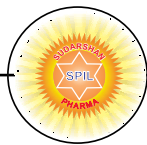
### **Cautionary Statement**

This report contains statements that may be ‘forward-looking’ including, but without limitation, statements relating to the implementation of strategic initiatives and other statements relating to Company’s future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomics, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments and other key factors that could affect our business and financial performance. The Company undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances. Important factors that could make a difference to the Company’s operations include changes in the government regulations, tax laws, statutes and other incidental factors as applicable to the company

### **Acknowledgement**

Your Directors take this opportunity to express their deep sense of gratitude to the vendors, business associates, employees, investors and banks for their continued support and co-operation during the year under review.





## NOTICE

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting (AGM) of the members of Sudarshan Pharma Industries Limited ("the Company") will be held on Saturday 02<sup>nd</sup> September, 2023 at 4.00 P.M. IST. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM), to transact the following business as:

### Ordinary Business:

1. To receive, consider and adopt the audited Financial Statements of the Company
  - a) Standalone Financial Statements of the company, for the financial year ended 31<sup>st</sup> March, 2023 including audited Balance Sheet as at 31<sup>st</sup> March, 2023 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date along with the Reports of the Board of Directors' and Report of the Auditors' thereon.
  - b) Consolidated Financial Statements of the Group for the financial year ended 31<sup>st</sup> March, 2023, and the Statement of Profit & Loss and Cash Flow Statement together with Reports of the Board of Directors and Report of the Auditors thereon.

**"RESOLVED THAT** standalone and consolidated financials of the company, for the year ended 31<sup>st</sup> March, 2023 as annexed in the annual report along with auditors report there upon and directors report on the standalone and consolidated financials are be and hereby adopted.

**"FURTHER RESOLVED THAT** any Directors and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and forms and to make all such submissions as may be required to give effect to this resolution and to sign and submit certified true copy of this resolution wherever required".

2. Declaration of Dividend

To declare dividend of ₹ 0.30/- per equity Shares for the Financial Year ended 31<sup>st</sup> March, 2023.

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

**"RESOLVED THAT** in pursuance with the applicable provisions of the Companies Act, 2013 and other rules and regulations made there under and as may be amended from time to time and as per the applicable provisions of SEBI (LODR) Regulations 2015 to the extent applicable the Board of Directors of the company has recommended the final dividend at ₹ 0.30/- per Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2023, on the paid-up equity share capital of the Company, for the financial year ended 31<sup>st</sup> March, 2023, be and is hereby declared and approved for payment.

**"RESOLVED FURTHER THAT** the dividend be paid to the members of the Company whose names appear in the list of beneficiary position as on record date for demat shares furnished by the Depositories and who are entitled to such dividend, through electronic credit to bank accounts and other appropriate mode including through dividend warrants or demand drafts."

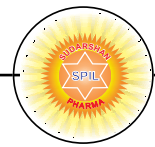
**"FURTHER RESOLVED THAT** any Directors and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and to sign and submit certified true copy of this resolution wherever required".

3. To re-appoint M/s. NGST & Associates., (Firm Regn. No.135159W) Chartered Accountants, Mumbai as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held for financial year ended 31<sup>st</sup> March, 2028 and to authorize the Board of Directors ("the Board") to fix their remuneration.

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

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. NGST & Associates., (Firm Regn. No.135159W), Chartered Accountants, Mumbai be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the Annual General Meeting to be held for financial year ended 31<sup>st</sup> March, 2028"

**"FURTHER RESOLVED THAT** the Board of Directors ("the Board") is be and hereby authorised to fix its remuneration".



**“FURTHER RESOLVED THAT** any Directors and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and forms and to make all such submissions as may be required to give effect to this resolution and to sign and submit certified true copy of this resolution wherever required”.

**Special Business:**

4. **Re-appointment of Mr. Hemal Mehta as Managing Director of the Company for a further period of five years.**

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

**“RESOLVED THAT** pursuant to provisions of Sections 196, 197 and 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act, including any statutory modifications or re-enactments thereof, for the time being in force, and as per the recommendation of the Nomination & Remuneration Committee & as approved by Board of Directors, consent of the members of the company is be and hereby accorded for re-appointment of Mr. Hemal Mehta (DIN: 02211121) as the Managing Director of the company w.e.f. 07<sup>th</sup> October, 2023, for a further period of five years, on the terms, conditions and remuneration as specified in the draft agreement attached along with.

**RESOLVED FURTHER THAT** the remuneration payable shall include all the monies paid to Mr. Hemal Mehta (DIN: 02211121) by whatever name called and not limited to perquisites and/or incentives but shall be excluding reimbursement of expenses incurred for the company purpose of whatsoever nature. Remuneration shall also include non-monetary benefits of any nature given to Mr. Hemal Mehta (DIN: 02211121).

**RESOLVED FURTHER THAT** Mr. Hemal Mehta shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company’s business and such other benefits/amenities and other privileges, as from time to time, be available to other Senior Executives of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary and/or modify the terms and conditions of appointment including remuneration within the overall limits approved herein and settle any question or difficulty in connection therewith and incidental thereto and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers (including any Committee thereof) to decide breakup of the remuneration within the above said maximum permissible limit and in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

**“FURTHER RESOLVED THAT** any Directors and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and forms and to make all such submissions as may be required to give effect to this resolution and to sign and submit certified true copy of this resolution wherever required”.

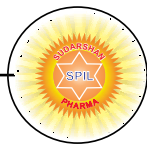
5. **Re-appointment of Mr. Sachin Mehta as Managing Director of the Company for a further period of five years.**

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

**“RESOLVED THAT** pursuant to provisions of Sections 196, 197 and 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act, including any statutory modifications or re-enactments thereof, for the time being in force, and as per the recommendation of the Nomination & Remuneration Committee & as approved by Board of Directors, consent of the members of the company is be and hereby accorded for re-appointment of **Mr. Sachin Mehta (DIN: 02211178)** as the Managing Director of the company w.e.f. 07<sup>th</sup> October, 2023, for a further period of five years, on the terms, conditions and remuneration as specified in the draft agreement attached along with.

**RESOLVED FURTHER THAT** the remuneration payable shall include all the monies paid to **Mr. Sachin Mehta (DIN: 02211178)** by whatever name called and not limited to perquisites and/or incentives but shall be excluding reimbursement of expenses incurred for the company purpose of whatsoever nature. Remuneration shall also include non-monetary benefits of any nature given to **Mr. Sachin Mehta (DIN: 02211178)**.

**RESOLVED FURTHER THAT Mr. Sachin Mehta** shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company’s business and such other benefits/amenities and other privileges, as from time to time, be available to other Senior Executives of the Company.



**RESOLVED FURTHER THAT** Mr. Sachin Mehta shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as from time to time, be available to other Senior Executives of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary and/or modify the terms and conditions of appointment including remuneration within the overall limits approved herein and settle any question or difficulty in connection therewith and incidental thereto and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers (including any Committee thereof) to decide breakup of the remuneration within the above said maximum permissible limit and in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

**"FURTHER RESOLVED THAT** any Directors and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and forms and to make all such submissions as may be required to give effect to this resolution and to sign and submit certified true copy of this resolution wherever required".

#### 6. **To Approve Remuneration of Joint Managing Director**

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

Considering the performance of the company and efforts and contribution of managing director it is proposed to approve his remuneration including incentives (if any) and perquisites on timely basis or on the events and as specified herein-under in clause " terms of Remuneration";

The members adopted the same and the following resolution was passed with or without modifications:

**"RESOLVED THAT** pursuant to provisions of section 197 and 198 of the Companies Act, 2013 and rules and regulations made thereunder and as per applicable provisions of Schedule V of the Companies Act, 2013, approval of members is be and hereby accorded for payment of remuneration during his tenure (w.e.f. 07<sup>th</sup> October, 2023) until unless decided otherwise, in consent with the terms of the provisions of the act applicable from time to time and as per the terms of remuneration mentioned herein under .:

#### **Terms of Remuneration:**

##### **Basic Salary**

Basic salary of ₹ 6,00,000/- to be paid to the Managing Director on monthly basis. This basic salary will be CTC to the company inclusive of taxes payable thereupon and shall be deductible as per the prevailing tax laws from time to time.

##### **Perquisites**

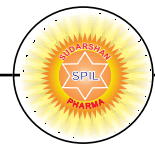
Perquisites are payable on the basis of actual expenses incurred, but shall not exceed the limit of ₹ 2,00,000/- Per month. These perquisites are including but not limited to car expenses, credit card bill payments, entertainment expenses, leave travel allowance any other event based expenses as may be reimbursed. Further this will not include any EMI payable for purchase of car or any other such vehicles. Perquisites are payable as and when event occurs subject to overall limit during the year (shall be calculated as a part of remuneration only up to the limit of perquisites availed by the Joint Managing director)

These perquisites shall be considered as part of remuneration only up to the limit availed by the Joint Manging Director in a particular financial year and shall not be accumulated and carried forwarded to the next financial year.

**RESOLVED FURTHER THAT** where in any financial year during the currency of tenure of 5 years of Mr. Sachin Mehta as Joint Managing Director, the Company has no profits or its profits are inadequate, the Company may pay Mr. Sachin Mehta for three financial years, the above remuneration as the minimum remuneration, in accordance with the provisions of Sections 197, 198, and other applicable provisions of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

**FURTHER RESOLVED THAT** any Director and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and forms and to make all such submissions as may be required to give effect to this resolution and to sign and submit certified true copy of this resolution wherever required".





## 7. To Approve Increase in Remuneration of Managing Director

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

Considering the performance of the company and efforts and contribution of managing director it is proposed to approve his remuneration including incentives (if any) and perquisites on timely basis or on the events and as specified herein-under in clause” terms of Remuneration”;

The members adopted the same and the following resolution was passed with or without modifications:

**“RESOLVED THAT** pursuant to provisions of section 197 and 198 of the Companies Act, 2013 and rules and regulations made thereunder and as per applicable provisions of Schedule V of the Companies Act, 2013, approval of members is be and hereby accorded for payment of remuneration during his tenure (w.e.f. 07<sup>th</sup> October, 2023) until unless decided otherwise, in consent with the terms of the provisions of the act applicable from time to time and as per the terms of remuneration mentioned herein under:

### **Terms of Remuneration:**

#### **Basic Salary**

Basic salary of ₹ 6,00,000/- to be paid to the Managing Director on monthly basis. This basic salary will be CTC to the company inclusive of taxes payable thereupon and shall be deductible as per the prevailing tax laws from time to time.

#### **Perquisites**

Perquisites are payable on the basis of actual expenses incurred, but shall not exceed the limit of ₹ 2,00,000/- Per month. These perquisites are including but not limited to car expenses, credit card bill payments, entertainment expenses, leave travel allowance any other event based expenses as may be reimbursed. Further this will not include any EMI payable for purchase of car or any other such vehicles. Perquisites are payable as and when event occurs subject to overall limit during the year (shall be calculated as a part of remuneration only up to the limit of perquisites availed by the Joint Managing director)

These perquisites shall be considered as part of remuneration only up to the limit availed by the Managing Director in a particular financial year and shall not be accumulated and carried forwarded to the next financial year.

**RESOLVED FURTHER THAT** where in any financial year during the currency of tenure of 5 years of Mr. Hemal Mehta as Managing Director, the Company has no profits or its profits are inadequate, the Company may pay Mr. Hemal Mehta for three financial years, the above remuneration as the minimum remuneration, in accordance with the provisions of Sections 197, 198, and other applicable provisions of the Act and the rules made thereunder (including any statutory modification(s) or re-enactment thereof).

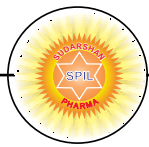
**“FURTHER RESOLVED THAT** any Director and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and forms and to make all such submissions as may be required to give effect to this resolution and to sign and submit certified true copy of this resolution wherever required”.

**RESOLVED FURTHER THAT** Joint Managing Director and / or Company Secretary and Compliance Officer of the Company are authorized to do all such act including but not limited to sign and execute all such forms and documents and to file all such requisite forms as may be applicable and to sign and submit certified true copy of this resolution wherever required.”

## 8. Appointment of Mr. Rushabh Patil, (DIN: 09779021) as an Independent Director.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Mr. Rushabh Patil, (DIN: 09779021) was appointed as an Additional Director in the category of Independent Director of the Company, by the Board of Directors with effect from 21<sup>st</sup> July, 2023 and who holds office until the date of this Annual General Meeting, be and is hereby appointed as an Independent Director for a term of 5 years up to 20<sup>th</sup> July, 2028 and whose office shall not be liable to retire by rotation.



**“FURTHER RESOLVED THAT** any Director and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and forms and to make all such submissions as may be required to give effect to this resolution and to sign and submit certified true copy of this resolution wherever required”.

9. **Increase in Authorized Share Capital of the Company and amend the Capital Clause in the Memorandum of Association of the Company.**

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

**“RESOLVED THAT** in accordance with the provisions of Section 61(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modifications or re-enactments thereof, for the time being in force, the approval of the Members of the company be and is hereby accorded, to increase the authorized share capital of the company from ₹ 25,00,00,000/- (Rupees Twenty-Five Crores Only) divided into 2,50,00,000 (Two Crore & Fifty Lacs) equity shares of ₹ 10/- (Rupees Ten) each to **₹ 35,00,00,000/- (Rupees Thirty-Five Crores Only) divided into 3,50,00,000 (Three Crore & Fifty Lacs) equity shares of ₹ 10/- (Rupees Ten) each**, ranking pari-passu with the existing equity shares in the Company and that in clause V (a) of the Memorandum of Association of the Company for the words and figures, -

‘The Authorized Share Capital of the Company is ₹ 25,00,00,000/- (Rupees Twenty-Five Crores Only) divided into 2,50,00,000 (Two Crore & Fifty Lacs) equity shares of ₹ 10/- (Rupees Ten) each.’

**The following shall be substituted:**

**‘The Authorized Share Capital of the Company is ₹ 35,00,00,000/- (Rupees Thirty-Five Crores Only) divided into 3,50,00,000 (Three Crore & Fifty Lacs) equity shares of ₹ 10/- (Rupees Ten) each.’**

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to sign and file all papers, documents and Forms with the Registrar of Companies, Mumbai and to do all acts and deeds to implement the above resolution in this regard.”

10. **To approve Employee Stock Option Scheme.**

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) of the Companies Act, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, and all other applicable provisions of the Companies Act, including any statutory modification or re-enactment thereof, for the time being in force and subject to the SEBI (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 Regulations, 2014, as amended, (“SEBI Regulations”) for the time being in force and as may be modified from time to time, and other rules, regulations and guidelines of any/ various statutory/ regulatory authority(ies) that are or may become applicable and subject to approvals from stock exchange and any other regulator and/or sub-regulator as may be applicable and such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the board of directors of the Company, the consent of the shareholders of the Company be and is hereby accorded to SPIL Employee Stock Option Scheme of the Company - 2023 (“ESOP Scheme”).

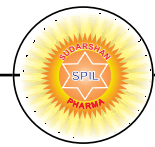
**RESOLVED FURTHER THAT** Managing Director and/or Joint Managing Director and/or Company Secretary and/ or Compliance Officer of the company be and are hereby severally authorised to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise and to finalise and execute all documents and writings as may be necessary and make such filings / application with the regulatory authorities, including the Registrar of Companies, Maharashtra at Mumbai and BSE Limited, to effectively implement this resolution.

**RESOLVED FURTHER THAT** the Whole Time Director and Managing Director, the Company Secretary or Assistant Company Secretary are authorised to certify the true copy of the aforesaid resolutions.”

11. **To make Borrowings over and above the present limit.**

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

**“RESOLVED THAT** in accordance with provisions of section 179 of the Companies Act, 2013 and rules and regulations as may be applicable from time to time including any amendments there of any enactment there to, the Board of Directors of the Company has powers to borrow funds. In accordance with provisions of section 180 of the Companies Act, 2013 borrowing in excess of paid up capital, free reserves and securities premium shall be approved by the members via special resolution.



**FURTHER RESOLVED THAT** in accordance with section 180 of the Companies Act, 2013 and rules and regulations as may be applicable from time to time including any amendments there of any enactment there to the consent of members of the company is be and hereby accorded to borrow the funds up to ₹ 200 Crore (Two Hundred Crores only).

**FURTHER RESOLVED THAT** the board of directors of the company may borrow funds in different tranches as per the requirement upto the limit specified in this resolution is not exhausted as per the provisions of the Companies Act, 2013.

**FURTHER RESOLVED THAT** any Director of the Company and the Company Secretary of the Company is be and hereby authorised to do all such acts and deeds and to execute all such documents and forms and to make all such submissions as may be required to give effect to this resolution and to sign and submit certified true copy of this resolution wherever required”.

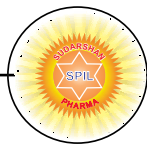
**By Order of the Board of Directors  
Sudarshan Pharma Industries Limited**

**Mr. Hemal Mehta  
Managing Director**

**Date: 21<sup>st</sup> July, 2023  
Place: Mumbai**

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 5 to 11 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) are also annexed. Also, additional information as per sub para (B) of Section II of Part II of Schedule V of the Companies Act, 2013 is annexed.
2. The Company has fixed 26<sup>th</sup> August, 2023 as the “Record Date” for determining entitlement of members to final dividend for the financial year ended 31<sup>st</sup> March, 2023.
3. The final dividend on equity shares, if declared at the Meeting as recommended by the Board of Directors, will be credited / dispatched on or before Monday, 02<sup>nd</sup> October, 2023 i.e within 30 days from the date of declaration to those members whose names appear on the Company’s Register of Members on the Record Date; in respect of the shares held in dematerialized mode, the dividend will be paid to members whose names are furnished by National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] as beneficial owners as on that date.
4. Record Date for the purpose of dividend shall be 26<sup>th</sup> August, 2023 for determining entitlement of members to dividend for the financial year ended 31<sup>st</sup> March, 2023 The dividend on equity shares, declared at the Meeting as recommended by the Board of Directors, will be credited dispatched within statutory timeline to those members whose names appear on the Company’s Register of Members on the Record Date; in respect of the shares held in dematerialized mode, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners or members as on that date.
5. The dividend, if approved, will be paid by crediting in to the bank account, as provided by NSDL and CDSL through ECS or NECS or electronic transfer, of those shareholders holding shares in electronic form/demat. In respect to shareholders holding shares in physical form or in case of ECS, NECS, or electronic payment rejected, dividend will be paid by dividend warrant or demand draft.
6. Direct credit of dividend / ECS: Under this system the shareholders get the credit of dividend directly in their designated bank account. This ensures direct and immediate credit with no chance of loss of dividend instrument in transit. To avail this facility, the members are requested to update with their DP, the active bank account details including 9 digit MICR code and IFSC code, in case the holding is in dematerialized mode. In case of



shares held in physical mode, the said details may be communicated to the Company or Share Transfer Agent, by quoting folio number and attaching a photocopy of the cheque leaf of the active bank account along with a self-attested copy of the PAN card.

#### 7. **Unclaimed Dividends:**

Members of the Company are requested to note that as per the provisions of section 124(5) and section 124(6) of the Act, dividends not encashed/ claimed by the Member of the Company, within a period of seven years from the date of declaration of dividend, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF), also all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the Demat Account of IEPF Authority notified by MCA ('IEPF Demat Account').

Members/claimants whose shares, unclaimed dividend have been transferred to the IEPF, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on [https:// www.iepf.gov.in](https://www.iepf.gov.in)) along with requisite fees, if any, as decided by the IEPF Authority from time to time. The Member/ claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

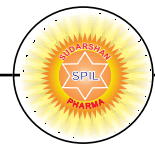
Details of Unclaimed Dividend and Shares attached thereto on Website: at [www.sudarshanpharma.com](http://www.sudarshanpharma.com) and on the website of our RTA at [www.kfintech.com](http://www.kfintech.com), in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Members are requested to quote their Folio Numbers/Client ID/DP ID and contact details in all correspondence and consolidate their holdings into one Folio in case they hold share under multiple Folios in the identical order of names.

**Any payments including dividend in respect of such frozen folios shall only be made electronically with effect from 1st April, 2024, upon registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Prohibition of Benami Propert Transactions Act, 1988 and/or Prevention of Money-Laundering Act, 2002, if they continue to remain frozen as on 31<sup>st</sup> December, 2025.**

**Shareholders holding shares in demat form who have not furnished nomination nor have submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, failing which their trading accounts shall be frozen for trading and demat account shall be frozen for debits.**

8. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, Circular No.17/2020 dated 13<sup>th</sup> April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 and Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
9. Pursuant to the Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
10. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
11. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate





Affairs dated 08<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020 and 05<sup>th</sup> May, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.sudarshanpharma.com](http://www.sudarshanpharma.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
14. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 08<sup>th</sup> April, 2020 and MCA Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, MCA Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 and MCA Circular No. 2/2021 dated 13<sup>th</sup> January, 2021.

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

**The remote e-voting period begins on 30<sup>th</sup> August, 2023 at 9:00 A.M. and ends on September 01<sup>st</sup> 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 26<sup>th</sup> August, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 26<sup>th</sup> August, 2023.**

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

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

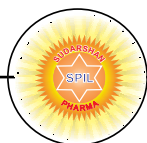
**Step 1: Access to NSDL e-Voting system**

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

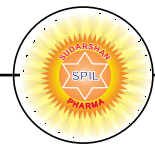
In terms of SEBI circular dated 09<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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





Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="644 1231 1098 1493" style="border: 1px solid black; border-radius: 15px; padding: 10px; text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be 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.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

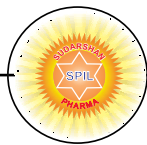
**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

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

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

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

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.



Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.

A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

1. Your User ID details are given below :

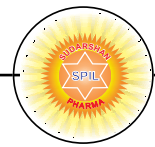
**Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical**

**Your User ID is:**

- a) For Members who hold shares in demat account with NSDL.  
8 Character DP ID followed by 8 Digit Client ID  
For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*.
  - b) For Members who hold shares in demat account with CDSL.  
16 Digit Beneficiary ID  
For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*.
  - c) For Members holding shares in Physical Form.  
EVEN Number followed by Folio Number registered with the company  
For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*
2. Password details for shareholders other than Individual shareholders are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
3. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password: Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).  
**Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.



4. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
5. Now, you will have to click on “Login” button.
6. After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

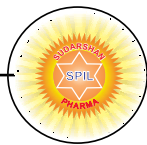
### **General Guidelines for shareholders**

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self -attested scanned copy of Aadhar Card) by email to [compliance@sudarshanpharma.com](mailto:compliance@sudarshanpharma.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [compliance@sudarshanpharma.com](mailto:compliance@sudarshanpharma.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**





3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

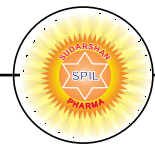
- i. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [compliance@sudarshanpharma.com](mailto:compliance@sudarshanpharma.com). The same will be replied by the company suitably.

**By Order of the Board of Directors  
Sudarshan Pharma Industries Limited**

**Hemal Mehta  
Managing Director**

**Date: 21<sup>st</sup> July, 2023**

**Place: Mumbai**



## **Explanatory Statement under Section 102 of the Companies Act, 2013:**

### **Item No 4:**

#### **Re-appointment of Mr. Hemal Mehta as Managing Director of the Company for a further period of five years.**

The Board of Directors at its meeting held on 08<sup>th</sup> November, 2018, approved the appointment of Mr. Hemal Mehta as Managing Director of the Company with effect from 08<sup>th</sup> November, 2018 up to 07<sup>th</sup> October, 2023 for a period of five years and approved payment of remuneration to him. The tenure expires on 07<sup>th</sup> October, 2023 and it is proposed to reappoint him for further period of five years from 07<sup>th</sup> October, 2023 till 06<sup>th</sup> October, 2028.

Hence, the Board of Directors in its meeting held on 21<sup>st</sup> July, 2023, approved the re-appointment of Mr. Hemal Mehta as Managing Director of the Company with effect from 07<sup>th</sup> October, 2023 for a further period of five years and approved payment of remuneration to him. The remuneration was revised from 07<sup>th</sup> October, 2023, for the remaining period of his tenure at the meeting of Board of Directors & also as approved by the Nomination and Remuneration Committee held on 21<sup>st</sup> July, 2023,

The Nomination and Remuneration Committee and the Board of Directors at their meeting held on 21<sup>st</sup> July, 2023, approved for payment of remuneration, to Mr. Hemal Mehta (holding DIN 02211121), as Managing Director of the Company with effect from 07<sup>th</sup> October, 2023 for the remainder period of his tenure in terms of Schedule V to the Companies Act, 2013, and as amended thereto. Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder as Annexure to this Notice.

Considering the increasing challenges during the new normalcy, it is proposed to re-consider the re-appointment of Mr. Hemal Mehta as Managing Director from 07<sup>th</sup> October, 2023, till 06<sup>th</sup> October, 2023 on the terms & conditions as set out in the agreement entered between the company and Mr. Hemal Mehta.

The Board of Directors recommends the relevant resolution for your consideration and approval as Special Resolution. The terms and conditions of remuneration of Mr. Hemal Mehta containing in the Managing Director's Agreement, shall be available electronically for inspection by the Members. Members seeking to inspect such documents can send an e-mail to [www.sudarshanpharma.com](http://www.sudarshanpharma.com).

None of the Directors except Mr. Hemal Mehta and Mr. Sachin Mehta are concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

### **Item No 5:**

#### **Re-appointment of Mr. Sachin Mehta as Joint Managing Director of the Company for a further period of five years.**

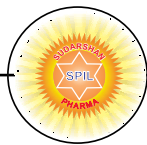
The Board of Directors at its meeting held on 08<sup>th</sup> November, 2018, approved the appointment of Mr. Sachin Mehta as Joint Managing Director of the Company with effect from 08<sup>th</sup> November, 2018 upto 07<sup>th</sup> October, 2023 for a period of five years and approved payment of remuneration to him. The tenure expires on 07<sup>th</sup> October, 2023 and it was proposed to reappoint him for further period of five years from 07<sup>th</sup> October, 2023 till 06<sup>th</sup> October, 2028

Hence, the Board of Directors in its meeting held on 21<sup>st</sup> July, 2023, approved the re-appointment of Mr. Sachin Mehta as Joint Managing Director of the Company with effect from 07<sup>th</sup> October, 2023 for a further period of five years and approved payment of remuneration to him. The remuneration was revised 07<sup>th</sup> October, 2023 for the remaining period of his tenure at the meeting of Board of Directors & also as approved by the Nomination and Remuneration Committee held on 21<sup>st</sup> July, 2023.

The Nomination and Remuneration Committee and the Board of Directors at their meeting held on 21<sup>st</sup> July, 2023, approved for payment of remuneration, to Mr. Sachin Mehta (holding DIN: 02211178), as Joint Managing Director of the Company with effect 07<sup>th</sup> October, 2023 for the remainder period of his tenure in terms of Schedule V to the Companies Act, 2013, and as amended thereto. Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder as Annexure to this Notice.

Considering the increasing challenges during the new normalcy, it is proposed to re-consider the re-appointment of Mr. Sachin Mehta as Managing Director from 07<sup>th</sup> October, 2023, till 06<sup>th</sup> October, 2023 on the terms & conditions as set out in the agreement entered between the company and Mr. Sachin Mehta.

The Board of Directors recommends the relevant resolution for your consideration and approval as Special Resolution. The terms and conditions of remuneration of Mr. Sachin Mehta containing in the Managing Director's Agreement, shall be available electronically for inspection by the Members. Members seeking to inspect such documents can send an e-mail to [www.sudarshanpharma.com](http://www.sudarshanpharma.com).



None of the Directors except Mr. Hemal Mehta and Mr. Sachin Mehta are concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

**Item No 6:**

**To Approve Remuneration of Joint Managing Director**

The management of the company has outperformed in the recent past. Even in pandemic situation the managing director of the company was committed and dedicated towards the growth and expansion of the company.

Due to his humongous contribution, the company has successfully completed the Initial Public Offer during the year and achieved a milestone.

It is also very generous that along with professional milestones the company has achieved various milestones in its duty towards society in form of CSR and otherwise also. That keeps the moral of the employees of the company high and inculcates the principle of humanity and wellbeing of society as an indifferent part of work culture.

The Nomination and Remuneration Committee and the Board of Directors at their meeting held on 21<sup>st</sup> July, 2023, approved for payment of remuneration, to Mr. Sachin Mehta (holding DIN: 02211178), as Joint Managing Director of the Company with effect 07<sup>th</sup> October, 2023 for the remainder period of his tenure in terms of Schedule V to the Companies Act, 2013, and as amended thereto. Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder as Annexure to this Notice.

Considering the increasing challenges during the new normalcy, it is proposed to re-consider the re-appointment of Mr. Sachin Mehta as Joint Managing Director from 07<sup>th</sup> October, 2023, till 06<sup>th</sup> October, 2023 on the terms & conditions as set out in the agreement entered between the company and Mr. Sachin Mehta.

None of the Directors except Mr. Hemal Mehta and Mr. Sachin Mehta are concerned or interested in the resolution.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

**Item No 7:**

**To Approve Remuneration of Managing Director.**

The management of the company has outperformed in the recent past. Even in pandemic situation the managing director of the company was committed and dedicated towards the growth and expansion of the company.

Due to his humongous contribution, the company has successfully completed the Initial Public Offer during the year and achieved a milestone.

It is also very generous that along with professional milestones the company has achieved various milestones in its duty towards society in form of CSR and otherwise also. That keeps the moral of the employees of the company high and inculcates the principle of humanity and wellbeing of society as an indifferent part of work culture.

The Nomination and Remuneration Committee and the Board of Directors at their meeting held on 21<sup>st</sup> July, 2023, approved for payment of remuneration, to Mr. Hemal Mehta (holding DIN 02211121), as Managing Director of the Company with effect 07<sup>th</sup> October, 2023 for the remainder period of his tenure in terms of Schedule V to the Companies Act, 2013, and as amended thereto. Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder as Annexure to this Notice.

Considering the increasing challenges during the new normalcy, it is proposed to re-consider the re-appointment of Mr. Hemal Mehta as Managing Director from 07<sup>th</sup> October, 2023, till 06<sup>th</sup> October, 2023 on the terms & conditions as set out in the agreement entered between the company and Mr. Hemal Mehta.

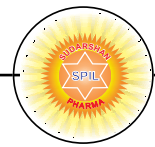
None of the Directors except Mr. Hemal Mehta and Mr. Sachin Mehta are concerned or interested in the resolution.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

**Item No 8:**

**Appointment of Mr. Rushabh Patil, (DIN: 09779021) as an Independent Director.**

Mr. Rushabh Patil, (DIN: 09779021) was appointed as an Additional Director in the category of Independent Director, not liable to retire by rotation, by the Board with effect from 21<sup>st</sup> July, 2023 to 20<sup>th</sup> July, 2028 based on the recommendation of the Nomination & Remuneration Committee. Mr. Rushabh Patil shall hold office upto the date of the ensuing Annual General Meeting and is eligible to be appointed as a Director. Mr. Rushabh Patil fulfils the



conditions specified in the Section 149(6) and other applicable provisions of the Companies Act, 2013 read with Schedule IV, the rules made there under to be appointed as an Independent Director of the Company.

He has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Mr. Rushabh Patil has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) & 25(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (Listing Regulations), (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

A brief profile of the Independent Director to be appointed is given below:

Adv. Rushabh Prashant Patil is a Practicing Independent Advocate in the Bombay High Court & District courts with a demonstrated history of working in the legal fraternity. He is skilled in Drafting, Vetting, Legal Research, Legal Advice, Client Relations, Due diligence, Legal Writing and Argument. He has acted as an advisory for several clients on corporate and commercial transactions including strategic alliance and routine advisory on civil matters.

He started his career at the early age of 21 Years, by joining his family-owned business, engaged in manufacturing & supplying cattle feed additives & veterinary medicines. One of the major achievements under his leadership was when his business got registered as a partner vendor for GCMMF's (Amul) Dairies as a supplier of additives. He completed his Bachelor's in Arts with Majors in Economics & Commerce from Mumbai University in the year 2016. Thereafter, he secured another feather in his hat by completing Bachelor of Law focused in Civil, Criminal and Commercial matters from, in the year 2019. On 30<sup>th</sup> March, 2021, he got enrolled as a member of the Bar Association of India. His unwavering belief in seeking knowledge from cradle to grave has motivated him to now pursue Master of Laws - LLM at Jindal Global Law School (JGLS).

He has also worked with an Agricultural start-up company named BVG Life Sciences Ltd, from 2019 to 2021 where he was responsible for Marketing and also assisted the company in procuring Government contracts.

In his early 20's, he got very well connected with the field of Agriculture and closely worked with the Farmer Producer Organisations (FPO's) of Maharashtra & Gujarat. He is an effective communicator with excellent relationship building & interpersonal skills. He is proficient in analytical situations and has strong problem-solving competencies.

Currently, Adv. Rushabh Prashant Patil is also an Independent Director at Jet Freight Logistics Limited, a company listed on NSE & BSE Limited.

In the opinion of the Board, Mr. Rushabh Prashant Patil is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and is independent of the management of the Company. The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rushabh Prashant Patil as an Independent Director.

A copy of the draft letter of appointment as Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members. Members who wish to inspect the same can send a request to [ir@jfill.com](mailto:ir@jfill.com).

Further, details and current directorship of the Director is provided in the Annexure I to this Notice.

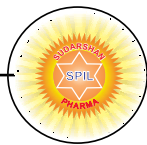
Mr. Rushabh Prashant Patil Sharma does not hold any shares of the Company.

In compliance with the provisions of Sections 149, 152 and other applicable provisions of the Act, read with Schedule IV to the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the appointment of Mr. Rushabh Prashant Patil as Independent Director of the Company commencing with effect from 21<sup>st</sup> July, 2023 to 20<sup>th</sup> July, 2028, is now being placed before the Members for their approval by way of special resolution.

Except Mr. Rushabh Prashant Patil, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

The Board recommends the Resolution at Item No.8 of the accompanying Notice for approval by the Members of the Company.





#### **Item No 09:**

#### **Increase in Authorized Share Capital of the Company and amend the Capital Clause in the Memorandum of Association of the Company.**

The present Authorised Capital of the Company is ₹ 25,00,00,000 /- (Rupees Twenty-Five Crores) divided into 2,50,00,000 (Two Crore & Fifty Lacs) equity shares of ₹ 10/- (Rupees Ten) each.

Considering the future business prospects, it is therefore considered necessary to increase the Authorised Share Capital of the Company from present ₹ 25,00,00,000 /- (Rupees Twenty-Five Crores) divided into 2,50,00,000 (Two Crore & Fifty Lacs) equity shares of ₹ 10/- (Rupees Ten) each **to ₹ 35,00,00,000/- (Rupees Thirty-Five Crores Only) divided into 3,50,00,000 (Three Crore & Fifty Lacs) equity shares of ₹ 10/- (Rupees Ten).**

The proposed increase in Authorised Share Capital requires the approval of Members in General Meeting. Consequent upon increase in Authorised Share Capital, the Memorandum of Association and of the Company will require alteration so as to reflect the increased Authorised Share Capital.

The draft copy of Memorandum of Association of the company shall be available electronically for inspection by the Members.

Members seeking to inspect such documents can send an e-mail to [www.sudarshanpharma.com](http://www.sudarshanpharma.com). Your directors recommend the proposed resolution giving effect to the above amendments for your approval.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, either directly or indirectly in passing of the said Resolution, save and except to the extent of their respective interest as shareholders of the Company.

#### **Item No 10:**

#### **Approval of Employee Stock Option Scheme.**

The scheme will become effective after approval of members and this is the first scheme of ESOP. The scheme is with the purpose to incentivize the employees to perform and make a long-term relationship with company, benefiting both the organization and the employee in personal growth.

The total number of shares offered in ESOP are 1,50,000 shares of ₹ 10 each which is subject to approval by members. The employees will be identified on the basis of their performance and/or longevity in the company. Vesting and period of vesting will be as per SEBI Regulations applicable from time to time as of now minimum vesting period is one year and maximum period of 3 years or as may be decided by the board in future as per prevailing SEBI Regulations.

Exercise price will be linked to the market price of the shares to achieve transparency and identical process throughout the scheme. Exercise period and the vesting period shall be period as per mentioned in the ESOP Scheme.

The appraisal process will be as determined by the policy of the company and as per the recommendation of Nomination and remuneration committee.

The scheme will be available for inspection during the Annual General Meeting. None of the directors are interested in the ESOP scheme.

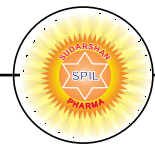
#### **Item No 11:**

The board will like to inform the members that earlier members approval was accorded for the borrowings upto ₹ 100 Crores in members meeting dated 25<sup>th</sup> January,2019

The company has come up with Initial Public Offer and is listed on SME Portal of BSE and the management is expecting a sharp growth and expansion. Finance is required at every step of expansion and growth stage and same cannot be fulfilled with the existing capital and borrowings.

The management is of the opinion that to grab the opportunity(ies) available in market it may not be feasible to wait till member's approval is accorded at the time of expansion and growth and hence in accordance with section 180 of the Companies Act, 2013 and rules and regulations as may be applicable from time to time including any amendments there of any enactment there to the consent of members of the company is be and hereby accorded to borrow the funds up to ₹ 200 Crore. This approval is sought to ensure smooth working of the company along with faster decision making as and when required.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, either directly or indirectly in passing of the said Resolution, save and except to the extent of their respective interest as shareholders of the Company.

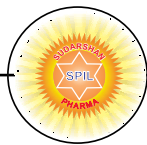


## “Annexure I”

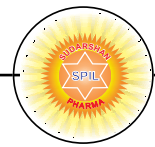
### DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT 15<sup>th</sup> ANNUAL GENERAL MEETING

**[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]**

Name of the Director	Mr. Hemal Mehta	Mr. Sachin Mehta
Date of Birth	27.04.1977	09.09.1984
Date of first appointment	16.01.2015	23.07.2008
Qualification	Diploma in Chemical Engineering	Diploma in Import and Export Management
Shareholding of directors	64,02,102 equity shares	66,20,547 equity shares
Directors Inter-se relationship & the KMP	Brother of Mr. Sachin Mehta, Directors	Brother of Mr. Hemal Mehta, Directors
Years of experience	22 years	14 years
No. of Board Meeting attended in FY 2022-2023	22	22
Area of expertise in specific functional areas/ Brief resume of Director	Aged 45 years, is the Promoter and Managing Director of our Company. He was appointed as Managing Director with effect from November 08, 2018. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds. As a leader, he always delivers value to the customers and endeavor in fulfilling / exceeding their expectations and is involved in day-to-day execution of projects. In a Company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.	Aged 38 years, is the Promoter and Joint-Managing Director of our Company. He was appointed as the Joint-Managing Director with effect from November 08, 2018. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds. As a leader, he always delivers value to the customers and endeavour in fulfilling / exceeding their expectations and is involved in day-to-day execution of projects. In a Company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.
Terms and conditions of appointment/ re-appointment & Remuneration sought for	Refer Item No. 4 of the Notice	Refer Item No. 5 of the Notice
Details of remuneration last drawn (2022-2023)	₹ 45,00,000/- per annum	₹ 45,00,000/- per annum
Directorship in other public companies	Sudarshan Pharma Lifescience Private Limited (WOS of the Company which is a deemed public company), Sudarshan Solvents Industries Limited	Sudarshan Pharma Lifescience Private Limited (WOS of the Company which is a deemed public company) Sudarshan Solvents Industries Limited
Memberships / Chairmanships of committees of other public companies	Nil	Nil



<b>Name of the Director</b>	<b>Mr. Rushabh Patil</b>
Date of Birth	09.04.1994
Date of first appointment	21.07.2023
Qualification	Bachelor's in Arts with Majors in Economics & Commerce from Mumbai University in the year 2016. Thereafter, he secured another feather in his hat by completing Bachelor of Law focused in Civil, Criminal and Commercial matters from, in the year 2019. On 30th March 2021, he got enrolled as a member of the Bar Association of India. His unwavering belief in seeking knowledge from cradle to grave has motivated him to now pursue Master of Laws - LLM at Jindal Global Law School (JGLS).
Shareholding of directors	NIL
Directors Inter-se relationship & the KMP	No Inter-se Relationship
Years of experience	3
No. of Board Meeting attended in FY 2022-2023	NA
Area of expertise in specific functional areas/ Brief resume of Director	In the year 2016, Mr. Patil started working in his family business engaged in manufacturing & supplying cattle feed additives & veterinary medicines. One of the key achievements under his leadership was when, their business got registered as partner vendors for GCMMF's (Amul) dairies as supplier for the additives. He has also worked with Agri startup company BVG Life Sciences Ltd from the year 2019-2021 where he was responsible for marketing & also assisted in getting government contracts. He is very well connected in the field of Agriculture & has worked closely with the FPO's of Maharashtra & Gujarat.
Terms and conditions of appointment/ re-appointment & Remuneration sought for	Refer Item No. 8 of the Notice
Details of remuneration last drawn (2022-2023)	NA
Directorship in other public companies	Independent Director at Jet Freight Logistics Limited, a company listed on NSE & BSE Limited.
Memberships / Chairmanships of committees of other public companies	Membership in Audit Committee and Stakeholders Relationship Committee in Jet Freight Logistics Limited, a company listed on NSE & BSE Limited.

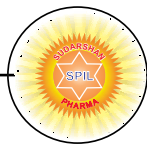


## “Annexure II”

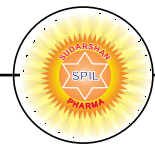
**Additional information required to be given alongwith a Notice calling General Meeting as per sub para (B) of Section II of Part II of Schedule V of the Companies Act, 2013 is given hereunder:**

I. General Information:		
1. Nature of industry	Wholesale Trading, Other professional, scientific and technical activities	
2. Date or expected date of commencement of commercial production	The Company has been in the business for many years	
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable	
4. Financial performance based on given indicators	<b>(₹ in lakhs)</b>	
	<b>Financial Parameters :</b>	
	<b>2022-2023</b>	
	Net Sales and other Income	46,244.90
	Net Profit / (Loss) as per profit and loss account	703.67
Dividend Declared (Interim)	--	
5. Foreign investments or collaborators, if any.	Not Applicable	
II. Information about the appointee:		
	<b>Mr. Hemal Mehta</b>	<b>Mr. Sachin Mehta</b>
1. Background details	Mr. Hemal Mehta has been appointed as Managing Director of the Company with effect from 08 <sup>th</sup> November, 2018.  Qualification: Diploma in Chemical engineering	Mr. Sachin Mehta has been appointed as the Joint-Managing Director of the Company with effect from 08 <sup>th</sup> November, 2018.  Qualification: Diploma in Import and export Management
2. Past remuneration	₹ 45,00,000/- per annum	₹ 45,00,000/- per annum
3. Recognition or Awards	During the tenure of Mr. Hemal Mehta, as a Director from the date of incorporation, the company has received many awards and recognitions which are being displayed on our website.	During the tenure of Mr. Sachin Mehta, as a Director from the date of incorporation, the company has received many awards and recognitions which are being displayed on our website.



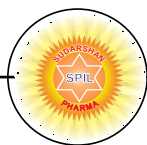


<p>4. Job profile and his suitability</p>	<p>Aged 45 years, is the Promoter and Managing Director of our Company. He was appointed as Managing Director with effect from 08<sup>th</sup> November, 2018. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds. As a leader, he always delivers value to the customers and endeavor in fulfilling / exceeding their expectations and is involved in day-to-day execution of projects. In a Company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.</p>	<p>Aged 38 years, is the Promoter and Joint-Managing Director of our Company. He was appointed as the Joint-Managing Director with effect from 08<sup>th</sup> November, 2018. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds. As a leader, he always delivers value to the customers and endeavor in fulfilling / exceeding their expectations and is involved in day-to-day execution of projects. In a Company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.</p>
<p>5. Remuneration proposed</p>	<p>As per the terms of remuneration set out in resolution appended to notice annexed to this Annual Report</p>	<p>As per the terms of remuneration set out in resolution appended to notice annexed to this Annual Report</p>
<p>6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin)</p>	<p>The Remuneration proposed to be paid to Mr. Hemal Mehta, is as recommended by the Nomination &amp; Remuneration Committee and has been approved by the Board (subject to approval of members) considering the position, industry standards, past remuneration, responsibilities. The remuneration proposed is on par with most of the listed Companies who are in the similar industry.</p>	<p>The Remuneration proposed to be paid to Mr. Sachin Mehta, is as recommended by the Nomination &amp; Remuneration Committee and has been approved by the Board (subject to approval of members) considering the position, industry standards, past remuneration, responsibilities. The remuneration proposed is on par with most of the listed Companies who are in the similar industry.</p>
<p>7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.</p>	<p>Mr. Hemal Mehta, Managing Director is the promoter of the company and holds equity shares in the company.</p> <p>He is related to Mr. Sachin Mehta, Joint Managing Director who is also holding equity shares in the company.</p>	<p>Mr. Sachin Mehta, Joint Managing Director is the promoter of the company and holds equity shares in the company.</p> <p>He is related to Mr. Hemal Mehta, Managing Director who is also holding equity shares in the company.</p>



III. Other information:	
1. Reasons of loss or inadequate profits	During the financial year, Company is having sufficient profits but for the payment of Managerial Remuneration, where in any previous financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may, pay such remuneration to the managerial person under Schedule V to the Companies Act, 2013.
2. Steps taken or proposed to be taken for improvement	The Board of Directors have taken adequate steps to stem the fall in margin by trying to compensate by increasing the volumes in business activity.
3. Expected increase in productivity and profits in measurable terms.	Not Applicable





## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors are pleased to present the Fifteenth Annual Report together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2023

### Financial Highlights

Particulars	(₹ In lakhs)			
	Standalone		Consolidated	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Income for the year	46,244.90	35,755.89	46,244.90	35,755.89
Profit before Interest, Depreciation and Tax	1,580.88	1,138.43	1,580.57	1,138.05
Finance Charges	(540.23)	(337.90)	(540.23)	(337.90)
Profit before Depreciation and Taxes	1,040.65	800.53	1,040.33	800.15
Depreciation & Amortization	(90.71)	(86.59)	(90.71)	(86.59)
Provisions for Taxation/ Deferred Tax	(245.95)	(188.70)	(245.95)	(188.70)
Minority Interest	-	-	-	0.07
Net Profit for the Current Year	703.98	525.24	703.67	524.79
Earlier Years Balance Brought forward	1,206.58	681.34	1,206.05	681.26
Net Profit available for Appropriation	1,910.56	1,206.58	1,909.72	1,206.05
<b>Appropriation:</b>				
Dividend on Equity Shares	-	-	-	-
Balance carried to Balance Sheet	1,910.56	1,206.58	1,909.72	1,206.05

### State of Company's Affairs

The Standalone Gross Revenue from operations for Financial Year 2022-23 was ₹ 46,244.90 Lakhs (Previous Year: ₹ 35,755.89 lakhs). The Operating Profit before tax stood at ₹ 949.93 Lakhs as against ₹ 713.94 Lakhs in the Previous Year. The Net Profit after tax for the year stood at ₹ 703.98 Lakhs against ₹ 525.24 Lakhs reported in the Previous Year.

The Consolidated Gross Revenue including Intragroup transactions from operations for Financial Year 2022-23 was ₹ 46,244.90 Lakhs (Previous Year: ₹ 35,755.89 Lakhs). The Consolidated Operating Profit before tax stood (for continued operations) at ₹ 949.62 Lakhs (Previous Year: ₹ 713.56 Lakhs). The Consolidated Profit after tax stood at Rs 703.67 Lakhs (Previous Year: ₹ 524.79 Lakhs).

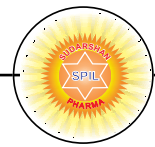
The Consolidated Financial performance includes results of Sudarshan Pharma Lifesciences Pvt. Ltd. together with results of the previous period have been prepared in accordance with the recognition and measurement principles laid down in Indian GAAP Interim Financial Reporting prescribed under 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

The turnover of the Company was up by 29.19 % during the Financial Year ending 31<sup>st</sup> March 2023 with reference to the previous Financial Year. The company's EBITDA is ₹ 1,469.17 Lakh with an increase of 34.54% from last Financial Year. The EPS as of 31<sup>st</sup> March, 2023 is 5.48, up by 0.27% from last Financial Year.

Previous periods' figures have been regrouped, rearranged, and reclassified wherever necessary to correspond with those of the current period.

### Dividend

This is the first directors report after initial public offer, the directors and management of the company has witnessed the trust that investors have put in the company. This being the initial stage of the company, the directors have proposed 3% dividend to the shareholders of the company and is hopeful that this may keep increasing gradually in the coming years and management be part of growth of investors wealth and happiness.



## TRANSFER TO RESERVES:

The Company has made no transfer to reserves for the Financial Year 2022-2023.

## DEPOSITORY SYSTEM:

The Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services India Limited.

## Change in the nature of business:

During the year under review, there were no material changes in the nature of business of the company.

## Subsidiary Company and Consolidated Financials

The Company has 1 (one) wholly owned subsidiaries as on 31<sup>st</sup> March, 2023. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

The Company has incorporated its Wholly Owned Subsidiary (WOS) – Sudarshan Pharma Lifescience Private Limited on 19<sup>th</sup> March, 2021.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing requisite details including performance and financial position of each of the subsidiary companies, the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

*\*Sudarshan Pharma Industries Limited (The Company) is in the process of acquiring shares in "Ratna Lifesciences Private Limited" and making it a wholly-owned Subsidiary Company since the latter is in the same line of business and this will enable the Company to grow and reach to a new height.*

*\*Company Management is also at advance stage for about Two Project Takeover or Tie ups and is at negotiation stage with other companies and management for expansion and enhancement of Business verticals.*

As per the requirements of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other rules and regulations as may be applicable from time to time, the audited consolidated financial statements of your company is prepared in accordance with Indian GAAP Interim Financial Reporting prescribed under 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company <http://www.sudarshanpharma.com>.

## IPO Fund Utilization

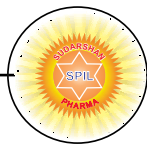
The details of IPO proceeds which have been utilized by the Company are as given under.

Particulars	(₹ In lakhs)
<b>IPO Proceeds</b>	<b>5,009.55</b>
<b>Less :</b>	
IPO Expenses	829.42
Transferred to UBI Cash Credit A/c*	4,020.70
Balance in Escrow account	159.43
<b>Total IPO Issue Size</b>	<b>5,009.55</b>

## Directors and Key Managerial Personnel

Your Board comprises of 5 directors comprising of 2 promoter directors, and 3 independent directors including one-woman director. Definition of 'Independent Director' is derived from Regulation 16(b) of the SEBI LODR and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors under section 149(7) of the Companies Act 2013 and on evaluation of the relationships disclosed, the Non-Executive Independent Directors – Mr. Umesh Luthra. Mrs, Jaya Sharma and Mr. Rushabh Patil are considered as Independent Directors, who are not liable to retire by rotation.





The Composition of Board of Directors and the details of Key Managerial Personnel for the Financial Year 2022-2023 are as follows:

Sr. No	Name of the Person	Category	With effect from and Tenure
1.	Mr. Hemal Mehta	Managing Director & Key Managerial Personnel	08 <sup>th</sup> November, 2018 – for a period of 5 years and further Reappointed on 21 <sup>st</sup> July, 2023 for a period of 5 years
2.	Mr. Sachin Mehta	Managing Director & Key Managerial Personnel	08 <sup>th</sup> November, 2018 for a period of 5 years and further Reappointed on 21 <sup>st</sup> July, 2023 for a period of 5 years
3.	Mr. Rajesh Hedao	Non -Executive Independent Director	Appointed as an Additional Independent Director on 31 <sup>st</sup> March, 2022. Further regularised on 26 <sup>th</sup> September, 2022 and Resigned with effect from 19 <sup>th</sup> June, 2023
4.	Mr. Umesh Luthra	Non -Executive Independent Director	Appointed as an Additional Independent Director on 31 <sup>st</sup> January, 2022. Further regularised on 26 <sup>th</sup> September, 2022.
5.	Mr. Rushabh Patil	Non -Executive Independent Director	Appointed as an Additional Independent Director on 21 <sup>st</sup> July, 2023. Further regularised on 02 <sup>nd</sup> September, 2023.
6.	Ms. Nutan Birendrapratap Singh	Non -Executive Independent Director	Appointed as an Additional Independent Director on 14 <sup>th</sup> October, 2021. Further regularised on 26 <sup>th</sup> September, 2022 and Resigned with effect from 26 <sup>th</sup> December, 2022.
7.	Ms. Jaya Ankur Singhania	Non -Executive Independent Director	Appointed as an Additional Independent Director on 26 <sup>th</sup> December, 2022. Further regularised on 27 <sup>th</sup> December, 2022.
8.	Mr. Dharam Vinod Jilka	Chief Financial Officer (Key Managerial Personnel)	Appointed as Chief Financial Officer on 14 <sup>th</sup> October, 2021
9.	Ms. Geeta Lalchand Amesar	Company Secretary & Compliance Officer (Key Managerial Personnel)	Appointed as Company Secretary & Compliance Officer on 18 <sup>th</sup> October, 2021 and Resigned with effect from 03 <sup>rd</sup> December, 2022
10.	Ms. Ishita Ashok Samani	Company Secretary & Compliance Officer (Key Managerial Personnel)	Appointed as Company Secretary & Compliance Officer on 17 <sup>th</sup> December, 2022

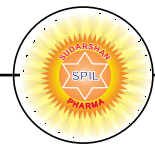
A brief resume of directors seeking appointment/re-appointment consisting nature of expertise in specific functional areas and name of companies in which they hold directorship and/or membership/ chairmanships of committees of the respective Boards, shareholding and relationship between directorship inter-se as stipulated under Reg. 36(3) of the SEBI (LODR) Regulations, 2015, are given in the section of notice of AGM forming part of the Annual Report.

➤ **Cessation:**

Mr. Rajesh Hedao resigned w.e.f 19<sup>th</sup> June, 2023 as a Non -Executive Independent Director of the Company. Ms. Nutan Birendrapratap Singh resigned w.e.f 26<sup>th</sup> December, 2022 as a Non -Executive Independent Director of the Company. Ms. Geeta Lalchand Amesar resigned with effect from 03<sup>rd</sup> December, 2022 as the Company Secretary & Compliance Officer (Key Managerial Personnel), their contribution to the welfare and growth of the company was acknowledged and placed on record by the Board of Directors of the Company.

➤ **Appointment:**

The Board at its meeting held on 08<sup>th</sup> November, 2018, approved the appointment of Mr. Hemal Mehta as Managing Director of the Company with effect from 08<sup>th</sup> November, 2018 for a period of five years and approved payment of remuneration to him. The tenure expired on 07<sup>th</sup> October, 2023 and Mr. Hemal Mehta was reappointed at the Meeting of the Board of Directors of the Company held on 21<sup>st</sup> July, 2023 for further period of five years from 07<sup>th</sup> October, 2023, till 06<sup>th</sup> October, 2028 subject to the approval of the shareholders, on the recommendation of the Nomination & Remuneration Committee.



The Board at its meeting held on 08<sup>th</sup> November, 2018, approved the appointment of Mr. Sachin Mehta as Joint Managing Director of the Company with effect from 08<sup>th</sup> November, 2018 for a period of five years and approved payment of remuneration to him. The tenure expired on 07<sup>th</sup> October, 2023 and Mr. Sachin Mehta was reappointed at the Meeting of the Board of Directors of the Company held on 21<sup>st</sup> July, 2023 for further period of five years from 07<sup>th</sup> October, 2023, till 06<sup>th</sup> October, 2028 subject to the approval of the shareholders, on the recommendation of the Nomination & Remuneration Committee.

The Board at its meeting held on 26<sup>th</sup> December, 2022 appointed Ms. Jaya Ankur Singhania as Non -Executive Independent Director. Further she was regularised on 27<sup>th</sup> December, 2022. The Board at its meeting held on 17<sup>th</sup> December, 2022 appointed Ms. Ishita Ashok Samani as Company Secretary & Compliance Officer (Key Managerial Personnel).

In compliance with the requirements of Section 203 of the Companies Act, 2013, Mr. Hemal Mehta, Managing Director, Mr. Sachin Mehta, Joint Managing Director, Mr. Dharm CFO and, Ms. Ishita Samani, Company Secretary & Compliance Officer of the Company continued as Key Managerial Personnel.

### **Directors' Responsibility Statement**

Pursuant to Section 134 of the Companies Act, 2013 ('the Act'), in relation to the Annual Financial Statements for the Financial Year 2022-23, your Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2023, the applicable Indian GAAP, which is adopted first time in preparation of financial statements for the year ended 31<sup>st</sup> March, 2023 as per the applicable laws and rules and regulations for the time being in force the read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 and of the loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a "going concern" basis. However, the Statutory Auditors have expresses doubts on the ability of the company to continue as a going concern.
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, except that the credit given to the overseas buyers in the previous year(s). The present outstanding amount of debtor's receivable is majorly due to the credit sales made in the previous year(s). Likewise, the payments of statutory dues and bank dues need to be regularized, though the same is the result of the liquidity crunch the company is presently facing mainly due to extending credit to buyers. The company has initiated legal proceedings against the debtors in the respective courts.
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

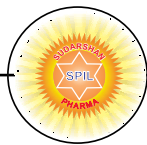
### **Board Evaluation, formal annual evaluation made by the Board of its own performance and that of its committees and individual directors**

Pursuant to the provisions of companies Act, 2013, and SEBI LODR, the Board has carried out evaluation of performance of its own, the independent directors individually as well the evaluation of the working of its 'Audit',

'Nomination & Remuneration' and 'Stakeholders Relationship' committees. The performance evaluation of non-independent directors was carried out by the independent directors in a separate meeting.

Pursuant to Section 134(3) read with Rule 8(4) of the Companies (Account) Rules, 2014 & Section 178(2) of the Companies Act, 2013, a formal annual evaluation needs to be conducted by the Board of its own performance and that of its committees and individual directors. Schedule IV to the Companies Act 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Board based on evaluation criteria recommended by the 'Nomination and Remuneration Committee' and 'Code for Independent Directors' evaluated the performance of Board members.



The Board after due discussion and taking into consideration of the various aspects such as Knowledge and skills, Competency, Financial literacy, Attendance at the Meeting, Responsibility towards the Board, Qualifications, Experience, Fulfillment of functions assigned to him, Ability to function as a team, Initiative Availability & Attendance, Commitment, Contribution; expressed their satisfaction with the evaluation process and performance of the Board.

**Remuneration Policy and Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178:**

A policy known as "Appointment criteria for Directors & Senior Management and their Remuneration Policy" approved by the Nomination and Remuneration Committee and Board is followed by the Company on remuneration of Directors and Senior Management employees as required under Section 178(3) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Policy aims at attracting and retaining high caliber personnel from diverse educational fields and with varied experience to serve on the Board for guiding the Management team to enhanced organizational performance. The company has adopted remuneration policy that commensurate with the size and future plans of the company, considering different verticals as a part of expansion and diversification, the current policy is an appropriate mix of executive and independent directors to maintain the independence of the Board. The Nomination & Remuneration Committee framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013.

**Deposits and Unclaimed Dividend**

During the year under review, your company has not accepted any deposit from the public during the year ended 31<sup>st</sup> March, 2023 under Chapter V of the Companies Act, 2013. Hence, there were no unclaimed or unpaid deposits as on 31<sup>st</sup> March, 2023.

During the year under review, pursuant to section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 (the "Rules") framed there under,

**Number of Meetings of the Board**

During the Financial Year 2022-2023, the Board of Directors met Twenty- Two times viz. on 02<sup>nd</sup> APRIL, 2022, 06<sup>th</sup> JUNE, 2022, 09<sup>th</sup> JUNE, 2022, 14<sup>th</sup> AUGUST, 2022, 25<sup>th</sup> AUGUST, 2022, 09<sup>th</sup> SEPTEMBER, 2022, 27<sup>th</sup> SEPTEMBER, 2022, 30<sup>th</sup> SEPTEMBER, 2022, 07<sup>th</sup> OCTOBER, 2022, 20<sup>th</sup> NOVEMBER, 2022, 21<sup>st</sup> NOVEMBER, 2022, 23<sup>rd</sup> NOVEMBER, 2022, 25<sup>th</sup> NOVEMBER, 2022, 03<sup>rd</sup> DECEMBER, 2022, 17<sup>th</sup> DECEMBER, 2023, 26<sup>th</sup> DECEMBER, 2022, 11<sup>th</sup> JANUARY, 2023, 23<sup>rd</sup> JANUARY, 2023, 02<sup>nd</sup> FEBRUARY, 2023, 20<sup>th</sup> FEBRUARY, 2023, 06<sup>th</sup> MARCH, 2023, 17<sup>th</sup> MARCH, 2023. The maximum interval between any two meetings did not exceed 120 days.

**Details of Committees of the Board**

**The Board has constituted various committees in accordance with the provisions of the Companies Act, 2013, the details of which are given as under:**

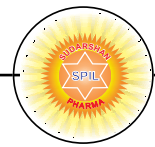
1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

**1. Audit Committee**

Our Company has constituted an Audit Committee ("*Audit Committee*"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on 18<sup>th</sup> October, 2021 and was further re-constituted on 07<sup>th</sup> October, 2022.

**The committee presently comprises the following three (3) directors:**

The Present Audit Committee comprises namely Mr. Umesh Luthra, Mr. Rushabh Patil, Mr Hemal Vasantry Mehta



### Composition of Audit Committee:

Name of the Director	Status	Nature of Directorship
Mr. Umesh Luthra	Chairman	Independent Director
Mr. Rajesh Chandrakumar Hedao <sup>@</sup>	Member	Independent Director
Mr Hemal Vasantrai Mehta	Member	Chairman & Managing Director
Ms. Nutan Singh <sup>#</sup>	Member	Independent Director

@Mr. Rajesh Hedao resigned with effect from 19<sup>th</sup> June,2023

# Ms. Nutan Singh has resigned with effect from 26<sup>th</sup> December, 2022

During the Financial Year 2022-2023, the Audit Committee of the Board of Directors met Six times viz. on 09<sup>th</sup> SEPTEMBER, 2022, 07<sup>th</sup> OCTOBER, 2022, 20<sup>th</sup> NOVEMBER, 2022, 23<sup>rd</sup> NOVEMBER, 2022, 11<sup>th</sup> JANUARY, 2023, 20<sup>th</sup> FEBRUARY, 2023,

During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board. All the recommendations made by the committee were accepted by the Board.

## 2. Nomination and Remuneration Committee

Our Company has re-constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on 18<sup>th</sup> October, 2021 and was further re-constituted on 27<sup>th</sup> December, 2022.

The Board has framed the Nomination & Remuneration Committee which ensures effective compliances as mentioned in section 178 of the Companies Act 2013.

The Present Nomination and Remuneration Committee comprises namely Mr. Rushabh Patil, Mr. Umesh Luthra, Mrs. Jaya Sharma

### Composition of Nomination and Remuneration Committee:

Name of the Director	Status	Nature of Directorship
Mr. Rajesh Chandrakumar Hedao <sup>@</sup>	Chairman	Independent Director
Mr. Umesh Luthra	Member	Independent Director
Mrs. Jaya Ankur Singhania <sup>#</sup>	Member	Independent Director
Ms. Nutan Singh <sup>*</sup>	Member	Independent

@Mr. Rajesh Hedao resigned with effect from 19<sup>th</sup> June,2023

\*Ms. Nutan Singh resigned with effect from 26<sup>th</sup> December, 2023.

# Mrs. Jaya Ankur Singhania was appointed as on 26<sup>th</sup> December, 2023

During the Financial Year 2022-2023, the Nomination and Remuneration Committee of the Board of Directors met one times viz. on 27<sup>th</sup> DECEMBER, 2022.

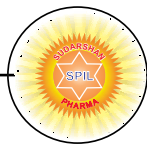
During the year under review, there were no instances when the recommendations of the **Nomination and Remuneration** Committee were not accepted by the Board. All the recommendations made by the committee were accepted by the Board

## 3. Stakeholders Relationship Committee

Our Company has re-constituted a shareholder / investors grievance committee "**Stakeholders' Relationship Committee**" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 18<sup>th</sup> October, 2021 and was further re-constituted on 07<sup>th</sup> October, 2022.

The Present Stakeholders Relationship Committee comprises namely Mr. Hemal Mehta, Mr. Umesh Luthra, Mr. Sachin Mehta





#### Composition of Stakeholders Relationship Committee:

Name of the Director	Status	Nature of Directorship
Mr. Hemal Mehta	Member	Managing Director
Mr. Umesh Luthra	Chairman	Independent Director
Mr. Sachin Mehta	Member	Joint Managing Director
Ms.Nutan Singh*	Member	Independent Director

\*Ms. Nutan Singh resigned with effect from 26<sup>th</sup> December, 2023.

During the Financial Year 2022-2023, the **Stakeholders Relationship Committee** of the Board of Directors met one times viz. on 07<sup>th</sup> OCTOBER, 2022.

During the year under review, there were no instances when the recommendations of the **Stakeholders Relationship Committee** were not accepted by the Board. All the recommendations made by the committee were accepted by the Board

The details of the meetings held and attendance of the members of the above committees of the Board are provided in the Corporate Governance report.

#### 4. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated 18<sup>th</sup> October, 2021 and was further re-constituted on 07<sup>th</sup> October, 2022. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance.

The Present **Corporate Social Responsibility Committee** comprises namely Mr. Hemal Mehta, Mr. Rushabh Patil, Mr. Sachin Mehta

#### Composition of Corporate Social Responsibility Committee:

Name of the Director	Status	Nature of Directorship
Mr. Hemal Mehta	Chairman	Managing Director
Ms. Nutan Singh@	Member	Independent Director
Mr. Rajesh Hedaoo	Member	Independent Director
Mr. Sachin Mehta	Member	Joint Managing Director

@ Ms. Nutan Singh resigned with effect from 26<sup>th</sup> December, 2023.

During the Financial Year 2022-2023, the **Corporate Social Responsibility Committee** of the Board of Directors met Two times viz. on 07<sup>th</sup> OCTOBER, 2022, 17<sup>th</sup> MARCH, 2023.

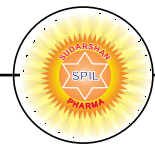
During the year under review, there were no instances when the recommendations of the **Corporate Social Responsibility Committee** were not accepted by the Board. All the recommendations made by the committee were accepted by the Board

The details of the meetings held and attendance of the members of the above committees of the Board are provided in the Corporate Governance report.

#### Statutory Auditors

M/s. NGST & Associates., (Firm Regn. No. 135159W) Chartered Accountant, Mumbai Statutory Auditors of the Company, hold office till the conclusion of the Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2028.

It is proposed to re-appoint M/s. NGST & Associates., (Firm Regn. No. 135159W) Chartered Accountant, Mumbai as statutory auditor of the Company and they have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. The proposal for their appointment is included in the notice of Annual General Meeting sent herewith.



## **Auditors' Report**

The auditors of the company have not made any observations and/or qualifications in their audit report issued on standalone and consolidated financial statements of the company of the financial year ended 31<sup>st</sup> March, 2023. The report of the Statutory Auditors on Standalone & Consolidated Financial Statements forms a part of the Annual Report. There are no specifications, reservations, adverse remarks on disclosure by the Statutory Auditors in their report. They have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

## **Secretarial Auditor**

Section 204 of the Companies Act, 2013 inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form. The Board appointed Vishal N Manseta, Practising Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2022-2023 and their report MR-3 is annexed to this report

The secretarial auditor has not made any remarks/observations/qualifications in the secretarial audit report for the year ended 31<sup>st</sup> March, 2023.

The Board has also appointed Vishal N Manseta as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2022-2023.

## **Contracts and Arrangements with Related Parties**

During the Financial year 2022-23, our Company has entered into transactions with related parties as defined under Section 2(76) of the Act and rules made thereunder and regulation 23 of Listing Regulations during the Financial Year 2022-23. The Company has not entered into transactions with related parties which qualify as material transactions as per listing regulations. As transactions with related party were reviewed and approved by the Audit Committee, were in Compliance with applicable provisions of the Act and Listing regulations.

The details of related party transactions as required under accounting standards as are set out in notes to accounts to Standalone Financial Statements forming part of this Annual Report.

There are no transactions to be reported in AOC-2.

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had entered into contracts / arrangements / transactions with related parties which could be considered material. Necessary approvals from audit committee and members of the company were obtained and all the related party transaction(s) entered/executed during the year are within the limits of approval taken.

Members are requested to refer Note 31 to the Standalone financial statements which sets out related party disclosures.

As per Regulation 23 of the SEBI LODR, the Board has adopted a 'Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions' which may be accessed on the Company's website i.e. [www.sudarshanpharma.com](http://www.sudarshanpharma.com).

## **Particulars of loans, guarantees or investments under section 186 OF THE COMPANIES ACT, 2013:**

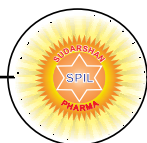
Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 amended from time to time, are forming part of the notes to the financial statements provided in this Annual Report.

## **Extract of Annual Return**

The extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with Companies (Management & Administration) Rules, 2014 as on 31<sup>st</sup> March, 2023 is uploaded on the website of the Company at <https://www.sudarshanpharma.com/Annualreports/>.

## **DISCLOSURES UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013: (Sexual Harassment)**

The Company is committed to provide a safe and conducive work environment to its employees and has detailed procedure for the redressal of complaints pertaining to sexual harassment. Your Directors further state that during the year under review, there were no cases filed pursuant to the sexual harassment at workplace.



The Company has been employing women employees in various cadres within its Registered Office and its Branches. The Company has in place a policy against Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committees is set up to redress complaints if received and are monitored on regular basis. During the year under review, the Company did not receive any complaint regarding sexual harassment.

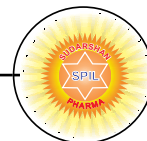
**Secretarial Standards:**

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively

**Awards & achievements:**

Your Company has a long list of Awards and Recognition during its long legacy of the decades. The Company has received Brand Brilliance in Pharma Sector Award from Asian- African Leadership Forum.





### **Material Changes and Commitments, affecting the financial position of the Company**

The company has made Initial Public Offer (“IPO”) during the financial year 2022-23. The IPO was successfully subscribed and the shares of the company were listed on SME Board of BSE. The company received listing and trading approval on 22<sup>nd</sup> March, 2023. The offer size under IPO was ₹ 5,009.55 Lakhs, that is 68,62,400 number of shares of ₹ 10 each at a premium of ₹ 63 per Equity Share. Since the IPO has just completed in past six months the management of the company is exploring the best suitable opportunity to utilise the funds raised from IPO, so as to achieve maximum ROI from the IPO funds so utilized and maximise the expedition of company for expansion and diversification.

### **Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company’s operations in future**

During the year under review, there are no significant material orders passed by the Regulators/ Courts/ Tribunals which would impact the going concern status of the Company and its future operations.

### **Corporate Social Responsibility**

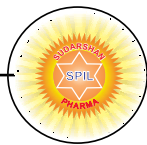
The Company has in place a CSR policy which provides guidelines to conduct CSR activities of the Company. The CSR policy is available on the website of the Company [www.sudarshanpharma.com](http://www.sudarshanpharma.com). During the year under review, the Company has spent an amount of ₹ INR 8.50 Lakhs on CSR activities in Housing project wherein it is proposed to provide affordable housing to about 1200 members of the Trust who are Blind, Handicapped, Deaf, Widow, Divorcee, Helpless women, mentally challenged, Orphans, Cancer, Dialysis, Kidney patients, Heart diseases Patients, HIV Patients, Homosexual and the people below poverty line (BPL)etc. through a Registered Trust named Omkar Andh Apang Samajik Sanstha. The Annual Report on CSR activities, in terms of Section 135 of the Companies Act, 2013 (‘Act’), is annexed to this report.

The provisions related to Corporate Social Responsibility as mentioned in the Act are applicable to the company and report on Corporate Social Responsibilities (Annual report on CSR) is annexed to this report.

### **Risk Management Policy**

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company’s management systems, organizational structures, processes, standards, code of conduct and behaviors govern how the company conducts the business and manages associated risks.





## **A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149 OF THE COMPANIES ACT, 2013:**

The Company has received necessary declarations from Mr. Umesh Luthra, Mrs. Jaya Sharma, Mr. Rushabh Patil, Mr. Rajesh Hedao, Ms. Nutan Singh Independent Directors of the company pursuant to the requirement of section 149(7) of the Companies Act 2013, that they fulfil the criteria of independence laid down in section 149(6) of the Companies Act 2013.

Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

### **Internal Financial Controls**

The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, except that the credit given to the overseas buyers in the previous year(s). The present outstanding amount of debtor's receivable is majorly due to the credit sales made in the previous year(s). Likewise, the payments of statutory dues and bank dues need to be regularized, though the same is the result of the liquidity crunch the company is presently facing mainly due to extending credit to buyers. The company has initiated legal proceedings against the debtors in the respective courts.

The Company has adequate financial control procedure commensurate with its size and nature of business. These controls include well defined policies, guidelines, standard operating procedure, authorization and approval procedures. The internal financial control of the company is adequate to ensure the accuracy and completeness of the accounting records, timely preparation of reliable financial information, prevention and detection of frauds and errors, safeguarding of the assets, and that the business is conducted in an orderly and efficient manner.

### **Share Capital**

The paid up equity share capital of the Company as on 31<sup>st</sup> March, 2023 was ₹ 24,06,58,870/-. During the year under review, the Company has not issued shares with differential voting rights and sweat equity shares.

### **Vigil Mechanism**

The Company has established Vigil Mechanism and adopted Whistle blower policy for its directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimization of persons who use such mechanism. Protected disclosures can be made by a whistle blower through an e-mail or dedicated telephone line or a letter to the senior executives or to the Chairman of the Audit Committee. During year under review, no personnel were denied access to the Audit Committee.

A fraud and corruption free environment in a company is the objective and in view of that, a Vigil Mechanism (Whistle Blower) Policy has been adopted by the Board for directors and employees, which is uploaded on the website of the company [www.sudarshanpharma.com](http://www.sudarshanpharma.com) pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. No complaint of this nature has been received by the Audit Committee during the year under review.

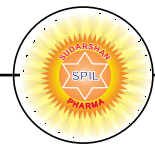
### **Corporate Governance**

The company is listed on SME board and accordingly certain clauses of SEBI LODR, on corporate governance practice are not applicable to the company. The company has complied the provisions of the corporate governance to the extent it is applicable.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Details in terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration) Rules 2014, the names and other particulars of the employee are appended as to the Boards' Report.

The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith and forms part of this Report.



## Green Initiatives

Electronic copies of the Annual Report 2022-23 and Notice of the 15<sup>th</sup> Annual General Meeting are sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses are requested to register their email ids with their DPs in order to co-operate with the company in implementation of green initiative; and help to protect the environment.

## Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo Conservation of Energy:

The Company is engaged to carry on business of providing services in the field of drugs and pharmaceuticals, chemicals, pharmaceutical ingredients and items of similar nature and to conduct clinical and bioequivalence trials, to undertake tests and experiments, scientific and technical investigations, analytical, research and innovation work of all kinds and descriptions as researchers and developers, collaborators, consultants, contractors, medical and health care specialists and as such its operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy, in its endeavor towards conservation of energy your Company ensure optimal use of energy, avoid wastages and conserve energy as far as possible. Several environment friendly measures were adopted by the Company such as minimizing air-conditioning usage, Shutting off all the lights when not in use.

## Technology Absorption, Adoption and Innovation

The Company continuously monitors and keep track of technological upgradation in the field of chemical and pharma and the same are reviewed and considered for implementation. Your Company continued its focus on quality up-gradation and product enhancements. The company uses indigenous technology for its operations.

## Research and Development

The chemical and pharma sector is highly technology oriented and nature of the business of the company is categorically business 2 business category wherein research and development expense are more in the nature of quality check and related areas rather than development of new technology.

## Foreign Exchange Earnings and Outgo

The information regarding foreign exchange earnings and outgo is contained in note no. 35 of notes on Financial Statements.

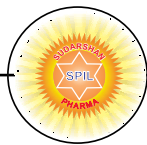
(₹ In lakhs)

Particulars	2021-2022	2022-2023
Foreign Exchange Earnings	577.51	311.32
Foreign Exchange outgo	2,022.85	439.84

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of sweat equity shares to employees of the company under any scheme.
2. Issue of shares under Employee Stock Option Scheme.
3. Re-appointment of an independent director for second term of five years.
4. Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries.
5. There were no companies which have become or ceased to be Subsidiaries, Joint Ventures or associate companies during the year.
6. There was no change in nature of business.



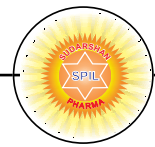
## Acknowledgement

Your Directors place on record their gratitude to Central Government, State Governments, Financial Institutions and Company's Bankers for assistance, co-operation and encouragement they extended to the Company. The Directors are also grateful to the valued customers, esteemed shareholders, dedicated employees and public at large for their patronage and confidence reposed in the company. Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Director  
For **SUDARSHAN PHARMA INDUSTRIES LIMITED;**

**Mr. Hemal Mehta**  
Managing Director





**Form No. MR - 3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**SUDARSHAN PHARMA INDUSTRIES LIMITED**  
301,3rd Floor, Aura Biplax,  
Above Kalyan Jewellers S. V. Road,  
Borivali (West) Mumbai - 400 092.

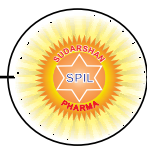
I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SUDARSHAN PHARMA INDUSTRIES LIMITED** (hereinafter called '**the Company**') for the period from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 (hereinafter called '**the Audit Period**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper Board - processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('**the Act**') and the rules made thereunder;  
As per documents, information and explanation provided to me for inspection, the Company has maintained minutes' book, statutory registers and has filed such forms as required by the Act.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;  
The shares of the Company are in dematerialised form and the Company complies with the Depositories Act. The Registrar & Transfer Agent of the Company is KFin Technologies Limited (formerly known as "KFin Technologies Private Limited").
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (External Commercial Borrowings is not applicable to the Company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;  
During the audit period the company has issued shares via Initial Public Offer ("IPO"), in respect of which all the requisite approvals were received within stipulated time period.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;  
→ Not Applicable





- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;  
→ Not Applicable
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;  
→ Not Applicable  
and
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;  
→ Not Applicable
- (vi) The list of other acts / regulations specifically applicable to the Company are as under:
- (a) Provident Fund and other Employee Benefit related Statutes;
  - (b) TDS & Indirect tax related statutes;
  - (c) Pollution Acts;
  - (d) Shop and Establishment Act;

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

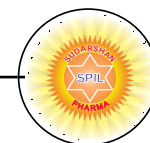
- (i) Secretarial Standards issued by the Institute of Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**I report that** during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable.

**I further report that:**

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Regulations.
- (ii) The changes in composition of the Board of directors of the Company during the audit period are as under:

Sr. No	Name of the Person	Category	With effect from and Tenure
1.	Mr. Hemal Mehta	Managing Director & Key Managerial Personnel	08 <sup>th</sup> November, 2018 - for a period of 5 years and further Reappointed on 21 <sup>st</sup> July, 2023 for a period of 5 years
2.	Mr. Sachin Mehta	Managing Director & Key Managerial Personnel	08 <sup>th</sup> November, 2018 for a period of 5 years and further Reappointed on 21 <sup>st</sup> July, 2023 for a period of 5 years
3.	Mr. Rajesh Hedao	Non -Executive Independent Director	Appointed as an Additional Independent Director on 31 <sup>st</sup> March, 2022. Further regularised on 26 <sup>th</sup> September, 2022 and Resigned with effect from 19 <sup>th</sup> June, 2023
4.	Mr. Umesh Luthra	Non -Executive Independent Director	Appointed as an Additional Independent Director on 31 <sup>st</sup> January, 2022. Further regularised on 26 <sup>th</sup> September, 2022.
5.	Mr. Rushabh Patil	Non -Executive Independent Director	Appointed as an Additional Independent Director on 21 <sup>st</sup> July, 2023. Further regularised on 02 <sup>nd</sup> September, 2023.



Sr. No	Name of the Person	Category	With effect from and Tenure
6.	Ms. Nutan Birendrapratap Singh	Non -Executive Independent Director	Appointed as an Additional Independent Director on 14 <sup>th</sup> October, 2021. Further regularised on 26 <sup>th</sup> September, 2022 and Resigned with effect from 26 <sup>th</sup> December, 2022.
7.	Ms. Jaya Ankur Singhania	Non -Executive Independent Director	Appointed as an Additional Independent Director on 26 <sup>th</sup> December, 2022. Further regularised on 27 <sup>th</sup> December, 2022.
8.	Mr. Dharam Vinod Jilka	Chief Financial Officer (Key Managerial Personnel)	Appointed as Chief Financial Officer on 14 <sup>th</sup> October, 2021
9.	Ms. Geeta Lalchand Amesar	Company Secretary & Compliance Officer (Key Managerial Personnel)	Appointed as Company Secretary & Compliance Officer on 18 <sup>th</sup> October, 2021 and Resigned with effect from 03 <sup>rd</sup> December, 2022
10.	Ms. Ishita Ashok Samani	Company Secretary & Compliance Officer (Key Managerial Personnel)	Appointed as Company Secretary & Compliance Officer on 17 <sup>th</sup> December, 2022

- (iii) Adequate notice was given to all directors to schedule the Board / Committees Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to the extent possible, 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. There was no gap of more than 120 days between two board meetings. All the Independent Directors as on 31<sup>st</sup> March, 2023 are registered in Independent Director's Database maintained by Indian Institute of Corporate Affairs.
- (iv) All the decisions in the meeting of the Board of Directors / Committees were passed unanimously. In case of resolution(s) involving interest of any one of the directors present in the meeting, the respective director has abstained from discussion and voting on such resolution(s).

**I further report that** during the audit period:

- (i) At the 14<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September, 2022, the members had passed the following Special Resolutions:

(a) **Conversion of Loan into Equity:**

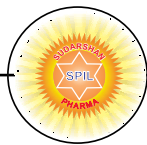
To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification or re-enactment thereof), consent of the Shareholders of the Company be and is hereby accorded to attach an option for the lender to convert outstanding loan and the interest thereon into equity shares of the Company for the existing loan of ₹ 4,55,00,000 and that the said loan be converted into such number of equity shares of ₹ 10 each at premium of ₹ 120 each of the Company, as arrived at the time of exercise of conversion.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things necessary to give effect to this resolution including but not limited to execution of the amendment to the existing loan agreement.”

(b) **Issue of Shares on Private Placement Basis**

“RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rule, 2014 (including any statutory modification or re-enactment thereof), consent of Shareholders of the Company be and is hereby accorded to create, issue, offer and allot 13,70,000 (Thirteen Lakhs Seventy Thousand) equity shares of face value of ₹ 10/- (Rupees Ten only) each. for cash at premium of ₹ 120- (Rupees One Hundred and Twenty only) per share, aggregating to ₹ 178,100,000/- each on private placement basis, in one or more tranches, to the following allottees (herein after referred to as "proposed allottees").



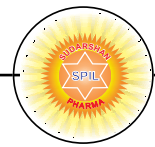
S No.	Name of Allottees	No. Of Share
1.	Bharat Suryakant Siriya	20,000
2.	Bharat Suryakant Siriya(HUF)	20,000
3.	Rekha Bharat Siriya	20,000
4.	Dhaval Bharat Siriya	20,000
5.	Hetal Vivek Siriya	20,000
6.	B&P Enterprises	20,000
7.	Kirtan Maru	20,000
8.	Namrata Nimesh Mehta	10,000
9.	Deepali Pawaskar	20,000
10.	Daksh Mehta	20,000
11.	RJMS Agro Private Limited	1,60,000
12.	Vinay Kumar Singh	40,000
13.	Ashish Singh	40,000
14.	Saurabh Singh	20,000
15.	Vishwamani Tiwari HUF	3,00,000
16.	Shekhar Bhuwania	1,00,000
17.	Shrawam Kumar Bhuwania	40,000
18.	Anant Jain	20,000
19.	Chhaya Jain	20,000
20.	Ratan Mala Jain	20,000
21.	Ankur Jain	20,000
22.	Puja heliwal	1,60,000
23.	Poonam Singh	20,000
24.	Dharamraj Ramsanjivan Tiwari	1,60,000
	TOTAL	13,70,000

**RESOLVED FURTHER THAT** the equity shares so created, issued, offered and allotted to the proposed allottee shall rank pari-passu in all respect with the existing equity shares of the Company, including entitlement to dividend.

**RESOLVED FURTHER THAT** the Directors of the Company be and are hereby severally authorised to sign and issue the Offer Letter to the proposed allottee, to sign and file the necessary e-forms and such other documents as may be necessary with the Registrar of Companies Maharashtra, at Mumbai or other statutory authority(ies) and to do all such acts, deeds and things as may be necessary in this regard."

- (c) **To appoint Mr. Umesh Luthra (DIN: 06692755) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, read with Schedule-IV and all other applicable provisions, if any, of the Companies Act, 2013 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) and the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force), Mr. Umesh Luthra (DIN: 06692755), who qualifies for being appointed as an Independent Director and who was appointed as an Additional Director of the Company with effect from 31<sup>st</sup> January 2022, pursuant to the provisions of section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for the period of 05 (five) years."



- (d) **To appoint Mr. RAJESH CHANDRAKUMAR HEDAOO (DIN: 06872419) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, read with Schedule-IV and all other applicable provisions, if any, of the Companies Act, 2013 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) and the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force), Mr. RAJESH CHANDRAKUMAR HEDAOO (DIN: 06872419), who qualifies for being appointed as an Independent Director and who was appointed as an Additional Director of the Company with effect from 31<sup>st</sup> March 2022, pursuant to the provisions of section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for the period of 05 (five) years.”

- (e) **To appoint Ms. NUTAN BIRENDRAPRATAP SINGH (DIN: 07680135) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, read with Schedule-IV and all other applicable provisions, if any, of the Companies Act, 2013 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) and the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force), Mr. RAJESH CHANDRAKUMAR HEDAOO (DIN: 06872419), who qualifies for being appointed as an Independent Director and who was appointed as an Additional Director of the Company with effect from 14<sup>th</sup> October 2021, pursuant to the provisions of section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for the period of 05 (five) years.”

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

**I further report that** during the audit period, there are no specific events /actions undertaken by the Company, having a bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Vishal N. Manseta**  
**(Practicing Company Secretary)**

**(Vishal N. Manseta)**

Membership No: A25183

CP. No.: 8981

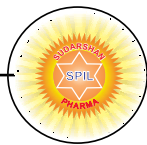
**PRC: 1584/2021**

Place: Mumbai

Date: 21<sup>st</sup> July, 2023

UDIN: A025183E000685436





## Annexure to Secretarial Audit Report

To,  
The Members,  
SUSARSHAN PHARMA INDUSTRIES LIMITED  
(CIN No. U51496MH2008PLC184997)

My Secretarial Audit Report is to be read along with this letter:

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

For **Vishal N. Manseta**  
**(Practicing Company Secretary)**

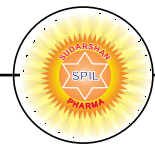
**(Vishal N. Manseta)**

Membership No: A25183

CP. No.: 8981

**PRC: 1584/2021**

Place: Mumbai  
Date: 21<sup>st</sup> July, 2023  
UDIN: A025183E000685436



## Annual Report on Corporate Social Responsibility Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

### 1. Brief Outline on the Corporate Social Responsibility ('CSR') Policy of the Company:

Our CSR Policy ('Policy') was adopted via resolution No. 01/2022-2023 passed by the Board of Directors at their Meeting held on 07<sup>th</sup> October, 2022 in terms of provisions of section 175 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy is available on the Company's website [www.sudarshanpharma.com](http://www.sudarshanpharma.com). The guidelines for our CSR activities are outlined in the Policy. Sudarshan Pharma Industries Limited (the Company) believes in a philosophy of empathetic care, generosity and humanity, characterized by a willingness to build a society that works for everyone. The Company's Corporate Social Responsibility (CSR) initiatives endeavor to uphold and promote the wellbeing of the underserved and underprivileged communities in different parts of India. Through its CSR initiatives, the Company seeks to protract its contribution in social upliftment, resulting in sustainable community development. An internal CSR Committee comprising of officials of the Company was also constituted to identify and recommend the projects to be undertaken, engage with the implementing agencies and carry out other related activities.

### 2. Composition of CSR Committee:

To guide the CSR activities of the Company, we have in place a Corporate Social Responsibility Committee that comprises of:

Sr. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Hemal Vasantrai Mehta	Managing Director (Chairman)	1	1
2.	Mr. Sachin Vasantrai Mehta	Joint Managing Director (Member)	1	1
3.	Mr. Rajesh Hedao <sup>@</sup>	Independent Director (Member)	1	1
4.	Mr. Rushabh Patil <sup>#</sup>	Independent Director (Member)	1	0

@ Mr. Rajesh Hedao resigned as an Independent Director of the Company w.e.f 19<sup>th</sup> June, 2023.

# Mr. Rushabh Patil was appointed as an Independent Director of the Company w.e.f from 21<sup>st</sup> July, 2023

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

The composition of the CSR Committee- <https://www.sudarshanpharma.com/corporate-governance/>

CSR Policy- <https://www.sudarshanpharma.com/codes-and-policies/>

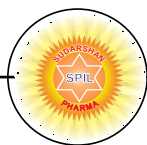
CSR Projects as approved by the Board- <https://www.sudarshanpharma.com/csr/>

### 4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not Applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Not Applicable



**6. Average net profit of the company as per section 135(5) - ₹ 417.76**

₹ in Lakhs

Financial year	Profit calculated as per section 198 of the Companies Act, 2013
31 <sup>st</sup> March, 2020	₹ 171.83
31 <sup>st</sup> March, 2021	₹ 357.60
31 <sup>st</sup> March, 2022	₹ 723.86
Average Profit for preceding 3 Years	₹ 417.76

**7. (a) Two percent of average net profit of the company as per section 135(5)- ₹ 8.36**

₹ in Lakhs

Particulars	Amount
Average Profit for preceding 3 Years	₹ 417.76
Two percent of average net profit of the company as per section 135(5)	<b>₹ 8.36</b>

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - Nil**

**(c) Amount required to be set off for the financial year, if any - Nil**

**(d) Total CSR obligation for the financial year (7a+7b-7c)- ₹ 8.36 Lakhs**

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 8.50	Nil	Nil	Nil	Nil	Nil

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Amount spent for the project (₹ in Lakhs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.
1	Housing Project	Clause ii & iii	Yes	State- Maharashtra District- Mumbai	₹ 8.36	No	Name- Omkar Andh Apang Samajik Sanstha CSR registration number.- CSR00003196

**Short description of the CSR initiatives of the Company during the financial year:**

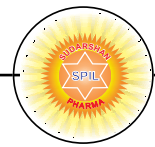
In Financial Year 2022-23, the Company extended support to the Housing project wherein it is proposed to provide affordable housing to about 1200 members of the Trust who are Blind, Handicapped, Deaf, Widow, Divorce, Helpless women, mentally challenged, Orphans, Cancer, Dialysis, Kidney patients, Heart diseases Patients, HIV Patients, Homosexual and the people below poverty line (BPL) etc. As the houses are proposed to be provided to such needy people, the same shall be provided free of cost. The project was selected based on the Company's approach of 'Human Development' and the endeavor is to build a sustainable society that facilitates the lives of all its citizens. The project was implemented by external implementing agency. The project was monitored on a regular basis through progress report, utilisation certificate and site visits to the project location.

**(d) Amount spent in Administrative Overheads- Nil**

**(e) Amount spent on Impact Assessment, if applicable- Not Applicable**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- ₹ 8.36 Lakhs**

**(g) Excess amount for set off, if any- Not Applicable**



**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (₹ in Lakh)	Amount transferred to any fund specified under schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1	2021-2022	Not Applicable	₹ 8.35	NA	Nil	NA	Nil

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**  
Not Applicable

**Excess amount for set off, if any: Not Applicable**

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

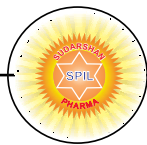
**10. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: These details are not applicable to the company as there is no previous balance in Unspent CSR Account.**

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Years	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amt. (in ₹)	Date of Transfer		
<b>Not Applicable</b>								

**11. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

- Date of creation or acquisition of the capital asset(s). Not Applicable
- Amount of CSR spent for creation or acquisition of capital asset. Not Applicable
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Not Applicable





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

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

12. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not applicable as company has spent the eligible amount.

**Mr. Hemal Mehta**

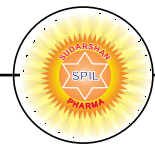
Chairman of CSR Committee and Managing Director

DIN: 02211121

Place: Mumbai

Date: 21<sup>st</sup> July, 2023





## Report on Corporate Governance

The report of Corporate Governance under SEBI LODR is furnished below.

### I) Company's Philosophy on Corporate Governance:

Your Company's Corporate Governance system is based on certain key principles, including integrity, transparency, accountability, equal treatment to all the shareholders and social responsibility. The main objective is to create and adhere to a corporate culture of integrity and transparency.

The Board of Directors of your company sets the overall policy and provides guidance and inputs in areas relating to planning, performance measurement, resource allocations, standards of conduct and communication.

Your Company's policies and practices relating to the Corporate Governance are discussed in the following sections:

#### A1) Board of Directors

The Board of Directors of the company comprises of five directors as under;

- a) Mr. Hemal Mehta - Managing Director;
- b) Mr. Sachin Mehta - Joint Managing Director;
- c) Mr. Umesh Luthra - Independent Director;
- d) Mr. Rajesh Hedao - Independent Director;<sup>@</sup>
- e) Mrs. Jaya Sharma - Independent Director;<sup>#</sup>
- f) Mr. Rushabh Patil - Independent Director
- g) Nutan Singh - Independent Director<sup>\$</sup>

<sup>@</sup>Mr. Rajesh Hedao resigned with effect from 19<sup>th</sup> June, 2023

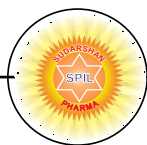
<sup>\$</sup> Nutan resigned we.f. 26<sup>th</sup> December, 2022

<sup>#</sup>Mrs. Jaya Ankur Singhaniā was appointed as on 26<sup>th</sup> December, 2022

The Board retains full and effective control over the organisation; and decisions on material matters are reserved by the Board. Each member of the Board of Directors of your Company is expected to use his/her professional judgement to maintain both the substance and appearance of independence and objectivity. The Board comprises individuals who are reputed in respective fields of finance, business and management.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies. Composition and category of the Board of Directors, their attendance at the Board meetings during the year and at the last Annual General Meeting as also their directorship in other companies and membership and chairmanship on the committees of other companies are as under:

Name of Directors	Category	Attendance Particulars		Number of other Directorships and Committee Memberships / Chairpersonships			Remarks
		Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairpersonships	
Mr. Hemal Mehta <b>Managing Director Chairman</b>	MD	22	YES	1	2	1	-
Mr. Sachin Mehta <b>Joint Managing Director</b>	JMD	22	YES	1	2	-	-
Mr. Umesh Luthra <b>Independent Director</b>	ID	22	YES	NIL	1	2	-
Mr. Rajesh Hedao <b>Independent Director</b>	ID	22	YES	NIL	2	1	-



Name of Directors	Category	Attendance Particulars		Number of other Directorships and Committee Memberships / Chairpersonships			Remarks
		Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairpersonships	
Mrs. Jaya Sharma <b>Independent Director</b>	ID	06	NA	Nil	1	-	-
Ms. Nutan Singh <b>Independent Director</b>	ID	15	YES	Nil	4	-	

MD : Managing Director  
 JMD : Joint Managing Director  
 ID : Independent Director

Notes :

- The Directorships held by Directors as mentioned above, do not include Alternate Directorships, Directorships of Foreign Companies, Private Limited Companies and Section 8 Companies.
- In accordance with Regulation 26(1) of the SEBI LODR, Membership/ Chairmanship of only the Audit Committees and Stakeholders Relationship Committees of all Public Limited Companies to be considered. However, as a part of transparency and spirit of good corporate governance we have disclosed membership of our directors in all our committees namely
  - Audit Committee
  - Nomination and remuneration Committee
  - Stakeholder relationship Committee
  - Corporate social responsibilities committee

#### Board Meetings held during the year 2022-23

The day to day matters concerning the business is conducted by the executives of the Company under the direction of Executive Directors with the supervision of the Board. During the Financial Year 2022-2023, the Board of Directors met Twenty- Two times viz. on 02<sup>nd</sup> APRIL, 2022, 06<sup>th</sup> JUNE, 2022, 09<sup>th</sup> JUNE, 2022, 14<sup>th</sup> AUGUST, 2022, 25<sup>th</sup> AUGUST, 2022, 09<sup>th</sup> SEPTEMBER, 2022, 27<sup>th</sup> SEPTEMBER, 2022, 30<sup>th</sup> SEPTEMBER, 2022, 07<sup>th</sup> OCTOBER, 2022, 20<sup>th</sup> NOVEMBER, 2022, 21<sup>st</sup> NOVEMBER, 2022, 23<sup>rd</sup> NOVEMBER, 2022, 25<sup>th</sup> NOVEMBER, 2022, 03<sup>rd</sup> DECEMBER, 2022, 17<sup>th</sup> DECEMBER, 2023, 26<sup>th</sup> DECEMBER, 2022, 11<sup>th</sup> JANUARY, 2023, 23<sup>rd</sup> JANUARY, 2023, 02<sup>nd</sup> FEBRUARY, 2023, 20<sup>th</sup> FEBRUARY, 2023, 06<sup>th</sup> MARCH, 2023, 17<sup>th</sup> MARCH, 2023. The agenda along with notice and supporting documents/papers was circulated to Directors in advance. The draft minutes of the Board and Committee meetings were circulated to all the Directors after meeting. The minutes of the previous meeting were confirmed and signed by the Chairman in the next meeting held thereafter.

#### RELATIONSHIP INTER-SE

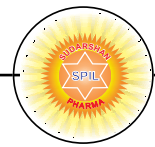
The following Directors of the Company are related to each other in the manner mentioned below:

Sl. No.	Name of Directors	Relationship Inter-se
1.	Mr. Hemal Mehta	Brother of Mr. Sachin Mehta
2.	Mr. Sachin Mehta	Brother of Mr. Hemal Mehta

No Directors, other than those mentioned above, are in any way related to each other. None of the Non-Executive directors hold any shares and Convertible instruments in the Company.

#### FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The details of the programme for familiarisation of the Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company and related matters are put up on the website of the Company i.e. [www.sudarshanpharma.com](http://www.sudarshanpharma.com)



## Audit Committee

The Audit Committee comprised of the following Independent Non-Executive Directors:

- Chairman** : Mr. Umesh Luthra
- Members** : Mr. Rajesh Chandrakumar Hedao@  
Mr Hemal Vasantraï Mehta  
Ms. Nutan Singh\*

@Mr. Rajesh Hedao resigned with effect from 19<sup>th</sup> June,2023

\*Ms. Nutan Singh resigned with effect from 26<sup>th</sup> December, 2022

The members of the Committee were well versed with the accounting and financial management. The Committee reviewed the quarterly financial results, half yearly financial results, annual financial results and internal control system of the Company. Valuable suggestions and guidance received from the members of the Committee add strength to its operations. The role and terms of reference stipulated by the members of the Audit Committee covers area mentioned under Regulation 18 and Schedule II part C of the SEBI LODR and Section 177 of the Companies Act, 2013.

The Statutory Auditors of the Company have attended the meetings of the Committee. The Company Secretary was the Secretary of the Audit Committee.

During the year under review, the Audit Committee met for Six times viz.,

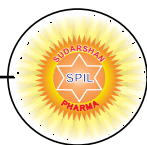
Date of the Meeting	Present	Quorum
09 <sup>th</sup> SEPTEMBER, 2022	4	4
07 <sup>th</sup> OCTOBER, 2022	4	4
20 <sup>th</sup> NOVEMBER, 2022	4	4
23 <sup>rd</sup> NOVEMBER, 2022	4	4
11 <sup>th</sup> JANUARY, 2023	3	3
20 <sup>th</sup> FEBRUARY, 2023,	3	3

The Chairman of the Audit Committee was present at the 14<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September, 2022.

The terms of the reference of the Audit Committee are as per the guidelines set out in SEBI LODR and Section 177 of the Companies Act, 2013 and inter alia it briefly includes the following:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of Audit fees;
- c) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- d) Reviewing with the management, the annual financial statement before submission to the Board for approval, with particular reference to:
  - i) Matters required to be included in the Directors' Responsibility Statement which forms part of the Directors' Report pursuant to section 134(3)(c) and (5) of the Companies Act, 2013.
  - ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv) Significant adjustments made in the financial statements arising out of audit findings;
  - v) Compliance with the listing and other legal requirements relating to financial statements;
  - vi) Disclosure of any related party transactions;
  - vii) Qualifications in the draft audit report.





- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- f) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- h) Reviewing the adequacy on internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- i) Discussion with internal auditors on any significant findings and follow up thereon;
- j) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of material nature and reporting the, matter to the Board;
- k) Discussion with the statutory auditors before audit commences, about the nature and scope of audit as well a post audit discussion to ascertain any area of concern;
- l) To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of default in payment of declared dividend) and creditors;
- m) To review the functioning of the Whistle Blower Policy mechanism, if any, adopted and framed from time to time;
- n) Carrying out any other function as may be mentioned in the terms of reference of the committee from time to time; and
- o) Any other area of activities as may be covered within the gamut of scope of Audit Committee by any Statutory Enactment(s) from time to time.

### **Nomination and Remuneration Committee**

The Company has a Nomination and Remuneration Committee. The Nomination and Remuneration Committee recommends the remuneration payable to the Executive Directors and any increments thereof within the maximum limits as approved by the shareholders from time to time.

### **EXTRACT OF REMUNERATION POLICY**

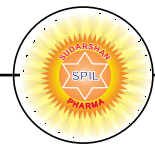
#### **1. OBJECTIVE**

This Policy aims to attract, retain and motivate the Members of the Board of Directors, Senior Managers viz: CEO, and other employees who are at one level below the Key Managerial Personnel or Functional Heads of the Company, by remunerating them reasonably and sufficiently so as to run the operations of the Company smoothly. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

#### **2. GUIDING PRINCIPLES**

The guiding principle of this Policy is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company. While designing the remuneration package, efforts are made to ensure that the remuneration matches the level in comparable companies, whilst also taking into consideration requisite competencies, qualifications, industry experience, efforts required and the scope of the work.

The Nomination and Remuneration Committee while considering a remuneration package shall ensure balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.



The Nomination and Remuneration Committee believes that a successful remuneration policy must ensure that a significant part of the remuneration package should be linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

## **2.1. REMUNERATION OF EXECUTIVE MEMBERS ON THE BOARD:**

Any Executive Member(s) on the Board shall be paid remuneration which may comprise of fixed monthly basic salary, perquisites such as House Rent Allowance or furnished /unfurnished housing accommodation in lieu thereof, car with or without chauffeur, telephone for office as well as personal use, stock options, statutory and non-statutory allowances such as education allowances, travel allowances, subscription allowances etc. as may be recommended by the Nomination and Remuneration Committee / Board of Directors and approved by the Members of the Company from time to time.

However, the overall remuneration of executive member(s) on the Board shall not exceed the applicable limits prescribed under the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

Executive members of the Board shall not be eligible to receive any sitting fees for attending any meeting of the Board of Directors or Committee thereof.

The performance of the executive members of the Board shall be evaluated by the Independent Directors on an annual basis.

## **2.2. REMUNERATION OF NON-EXECUTIVE MEMBERS OF THE BOARD:**

Non-Executive member(s) of the Board shall be entitled to receive such amount as may be decided by the Board but not limited to sitting fees. Such amount may be prescribed as reimbursement of legitimate expenses to attend the Board and Committee meeting or to perform the functions incidental and ancillary thereto or in performing such other duties cast upon them by the Board.

However, the overall remuneration of Non-Executive member(s) on the Board shall not exceed the applicable limits prescribed under the Companies Act, 2013 and Rules framed there under, as amended from time to time.

The performance of the non - executive members of the Board shall be evaluated by the Board on an annual basis.

### **Remuneration of Executive Management comprising of Senior Management & Key Managerial Personnel:**

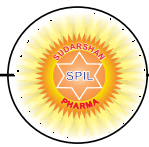
The Company believes that a combination of fixed and performance-linked pay to the Executive Management shall ensure that the company can attract and retain key employees. The performance-linked incentive based.

Company performance and performance of the employee concerned each year shall be considered and approved by the Nomination & Remuneration Committee, annually inter-alia for the Executive Management. Additionally, subject to appropriate approval of shareholders, the Company may consider issuance of stock options to Senior Management.

The Nomination & Remuneration Committee will from time to time consider proposals concerning the appointment and remuneration of the Key Managerial Personnel and ensure that the proposed remuneration is in line with industry standards in comparable companies. Such proposals then shall be submitted to the Board for approval. The remuneration of the members of the Executive Management may consist of the following components:

1. Basic salary and Allowances
2. Performance linked incentive / bonus
3. Stock options
4. Perquisites as per rules of the Company including Company car, telephone etc. not mentioned in the board report

Executive Management shall not be eligible to receive any remuneration, including sitting fees, for directorships in the Company.



The Remuneration Committee comprises of the following Independent Non-Executive Directors:

**Chairperson** : Mr. Rajesh Hedao<sup>@</sup>

**Members** : Mr. Umesh Luthra  
Mrs. Jaya Ankur Singhania<sup>#</sup>  
Ms. Nutan Singh<sup>\*</sup>

@Mr. Rajesh Hedao resigned with effect from 19<sup>th</sup> June, 2023

\*Ms. Nutan Singh Resigned with effect from 26<sup>th</sup> december, 2022

#Mrs. Jaya Ankur Singhania was appointed as on 26<sup>th</sup> December, 2022

The Company Secretary of the Company acts as the Secretary of the Committee.

During the year under review, the Nomination and Remuneration Committee met once.

Date of the Meeting	Quorum
27/12/2022	3

The details of the Remuneration paid to the Executive Directors for the year ended 31<sup>st</sup> March 2023 and sitting fees to the Non-Executive Independent Directors for meetings of Directors and Committees of Directors are as follows:

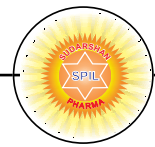
Name	Designation	Remuneration for 2022-23				No. of Shares held as on 31.03.2023
		Salary	Sitting Fees	Employer contribution to provident fund	Total	
Mr. Hemal Mehta	Managing Director	45	-	-	45	64,02,102
Mr. Sachin Mehta	Joint Managing Director	45	-	-	45	66,20,547
Mr. Umesh Luthra	Independent, Non Executive Director	-	-	-	-	NIL
Mrs. Rajesh Hedao	Independent, Non Executive Director	-	-	-	-	NIL
Mrs. Jaya Sharma Appointed on 26 <sup>th</sup> December, 2023	Independent, Non Executive Director	-	-	-	-	NIL
Mrs. Nutan Singh Resigned on 26 <sup>th</sup> December, 2023	Independent, Non-Executive Director	-	-	-	-	NIL

No fees/commission were paid to the Independent Directors during the year. No significant material transactions have been made with the Independent Directors vis-à-vis the Company.

- All decisions relating to the remuneration of Directors are taken by the Nomination and Remuneration Committee in accordance with the approval received from Board as well as the members of the Company.
- The Directors' remuneration as mentioned above consists of fixed salary component payable to them. There is no performance linked incentives payable to Directors for achievement of targets.
- During FY 2022-2023, the Company did not issue any stock options neither did it advance any loans to any of its Directors.

#### PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR, a separate exercise was carried out by Independent Directors to evaluate the performance of Non-Independent Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement, contribution and independence of judgment thereby safeguarding the interest of the Company.



The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholders Relationship Committee. The Directors expressed their satisfaction with the annual evaluation process.

## STAKEHOLDERS RELATIONSHIP COMMITTEE

### Terms of Reference

The Stakeholders Relationship Committee is comprised of the following Directors to approve/reject the transfer/transmission/rematerialisation of equity shares, issue of duplicate certificates, to supervise all the operations of the Registrar and Share Transfer Agents and to look into the Investors' complaints, if any, and to redress the same expeditiously.

The Stakeholders Relationship Committee comprises of the following Independent Non-Executive Directors:

<b>Chairman</b>	: Mr. Umesh Luthra
<b>Members</b>	: Mr. Hemal Mehta Mr. Sachin Mehta Ms. Nutan Singh*

\*Ms. Nutan Singh Resigned with effect from 26<sup>th</sup> december, 2022

The Company Secretary is the Compliance Officer of the Company for matters relating to Shareholders, Stock Exchanges, the Securities and Exchange Board of India (SEBI) and other related regulatory authorities.

During the year under review, the Stakeholders Relationship Committee met One time.

Date of the Meeting	Quorum
07/11/2022	4

The company secretary of the company has been appointed as the Compliance Officer of the Company for handling the investor complaints.

### Status of Shareholders'/Investors' Complaints

Particulars	No. of Complaints
Complaints pending as on 01 <sup>st</sup> April, 2022	NIL
Complaints received during the period 01 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023	NIL
Complaints resolved during the period 01 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023	NIL
Complaints outstanding as on 31 <sup>st</sup> March, 2023	NIL

During the year under review, all requests/ complaints were attended to promptly and resolved to the satisfaction of the shareholders.

No request of transfer and no request for dematerialization were pending for approval as on 31<sup>st</sup> March, 2022.

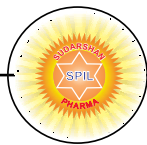
## GENERAL BODY MEETINGS

### Location and time of last three Annual General Meetings:

Year	Location	Date	Time	Special Resolutions	Postal Ballot
2019-2020	301,3rd Floor, Aura Biplax, Above Kalyan Jewellers S. V. Road, Borivali (West) Mumbai Mumbai City MH 400092	31.12.2020	11.00 A.M.	NIL	N.A.
2020-2021	301,3rd Floor, Aura Biplax, Above Kalyan Jewellers S. V. Road, Borivali (West) Mumbai Mumbai City MH 400092	30.11.2021	11.00 A.M.	NIL	N.A.
2021-2022	301,3rd Floor, Aura Biplax, Above Kalyan Jewellers S. V. Road, Borivali (West) Mumbai Mumbai City MH 400092	26.09.2022	11.30 A.M.	NIL	N.A.

No resolution was passed through postal ballot during last year.





## Disclosures

### a) Related parties' transactions

None of the Company's transactions for the related parties were in conflict with the interest of the Company.

Members are requested to refer Note 31 to the Standalone financial statements which sets out related party disclosures. There were materially significant transactions with related parties, during the financial year under review.

### b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years

There were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets during the financial year 2022-23.

### c) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all applicable requirements of the SEBI LODR. Given below is the gist of the mandatory and non-mandatory requirements complied with by the company:

#### A) Compliance with mandatory requirements

##### a) Management Discussion and Analysis

A management discussion and analysis report forms part of the Annual Report and includes discussion on various matters specified under SEBI LODR.

##### b) Subsidiaries

All the Subsidiary Companies are managed with their Boards having the rights and obligations to manage the Company in the best interest of the stakeholders. As a majority stakeholder, the Company monitors the performance of such companies.

##### c) Secretarial Audit for reconciliation of capital

A qualified Practicing Company Secretary has carried out secretarial audit for every quarter to reconcile the total admitted capital with both the depositories; viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit report confirms that the total issued/paid up capital is in agreement with the aggregate total \*-number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL. The Company had submitted the audit report for reconciliation of share capital to BSE and NSE within 30 days from the end of each quarter in accordance with the SEBI requirements.

##### d) Code for prevention of Insider Trading

The Company has adopted a code on prevention of Insider Trading in compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

##### e) CFO Certification

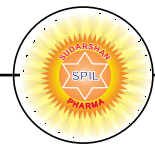
A certificate as required under the SEBI LODR from Chief Financial Officer was placed before the Board.

##### f) Risk Management

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors govern how the company conducts the business and manages associated risks.

##### g) Code of Conduct

The Company has laid down a code of conduct for the Directors and its senior management. The code has been posted on the Company's website. Pursuant to Regulation 26(5) of the SEBI LODR, all members of senior management have confirmed that there are no materials, financial and commercial transactions



wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI LODR, all the Board members and senior management of the Company as on 31<sup>st</sup> March, 2023 have affirmed compliance with their respective Codes of Conduct.

A Declaration to this effect, duly signed by the Chairman and Managing Director is annexed hereto.

## **B) Compliance with non- mandatory requirements**

### **a) Board**

The Board has an Executive Chairman.

### **b) Shareholder's Right**

A half yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of shareholders. However, the Company publishes its results on its website at [www.sudarshanpharma.com](http://www.sudarshanpharma.com), which is accessible to the public at large.

### **c) Audit Qualification**

In respect of the observations made by Auditors in their report, your Directors wish to state that there are no observations in the auditor's Report.

### **d) Separate Post of Chairman and CEO**

The chairman of the company Mr. Hemal Mehta is the Managing Director.

### **e) Reporting of internal auditor**

The internal audit reports are reviewed independently by the audit committee every quarter.

## **MEANS OF COMMUNICATION**

The Company believes that all stakeholders should have access to adequate information, regarding the Company's position to enable them to accurately assess its future potential. Pursuant to the SEBI LODR, all information which could have a material bearing on the Company's share price is released at the earliest.

The half-yearly and yearly results are submitted to the Stock Exchanges in accordance with the SEBI LODR and are published in The Financial Express, Mumbai Lakshdeep. The financial results and official news releases were displayed on the Company's web site [www.sudarshanpharma.com](http://www.sudarshanpharma.com).

The Management Discussion and Analysis Report forms part of the Annual Report. There were no presentations made to the institutional investors or analysts separately.

## **GENERAL SHAREHOLDER INFORMATION**

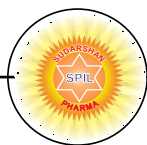
### **a) Annual General Meeting (AGM):**

Date and Time	:	Saturday, 02 <sup>nd</sup> September, 2023 at 4.00 p.m.
Venue	:	via audio video conferencing
Financial year	:	1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023

### **b) Financial Calendar: 2022-2023 (Tentative)**

Annual General Meeting – Next Year Board Meetings:	September 2023
- Results for the quarter ending 30 <sup>th</sup> September, 2023	By 14 <sup>th</sup> November, 2023
- Results for the year ending 31 <sup>st</sup> March, 2024	By 30 <sup>th</sup> May, 2024

- c) Dividend Payment Date** : The final dividend if declared by the shareholders at the AGM shall be paid/credited on or before Monday 02<sup>nd</sup> October, 2023 i.e. within 30 days from the date of declaration.
- d) Book Closure Date** : 27<sup>th</sup> August, 2023 to 01<sup>st</sup> September, 2023 (both days inclusive)
- e) Cut Off Date for E-voting** : 26<sup>th</sup> August, 2023 (For AGM to be held on 02<sup>nd</sup> September, 2023)



**f) Listing on Stock Exchanges:** The Equity Shares of the Company got listed on 22<sup>nd</sup> March, 2023 with the following Stock Exchanges: -

- a) Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

**g) Stock Code**

- (1) Trading Symbol at : Bombay Stock Exchange - 543828  
(2) Demat ISIN Number : **INE00TV01015**  
(NSDL & CDSL)

(Note: Annual listing fees for the year 2022-2023 have been paid to all the above Stock Exchanges)

**h) Stock Market Data**

The shares of the company got listed with Bombay Stock Exchange Limited on 22<sup>nd</sup> March, 2023.

Month	Bombay Stock Exchange (BSE) In (₹)	
	Month's High Price	Month's Low Price
March, 2023	73.25	51.85

**i) Performance of the share price of the Company in comparison to the BSE Sensex and CNX Nifty on month-wise closing during the year:**

Month	Sudarshan	BSE
		Sensex
March, 2023	55.80	58991.52

**j) Registrar and Share Transfer Agents:** KFin Technologies Private Limited  
(Unit: Sudharshan Pharma Industries Limited)  
Selenium Tower - B, Plot No. 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally Mandal,  
Hyderabad, 500032  
Phone No. 040 - 67161565

**k) Share Transfer System:**

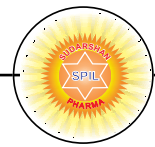
Shares sent for the physical transfer are registered and returned within one month from the date of receipt, if the documents are clear in all respects. The Stakeholders Relationship Committee meets as often as required. There were no share transfers in physical form during 2022-23 and no share transfer was pending as on 31<sup>st</sup> March, 2023.

**l) Dematerialization of Equity Shares**

The Company's shares are traded in dematerialized form only. To facilitate trading in dematerialized form there are two depositories, i.e., National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The Company has entered into an agreement with both these depositories. The shareholders can open account with any of the depository participants registered with any of these depositories.

**m) Demat Suspense Account**

There are no shares lying in the Demat Suspense Account.



**n) Distribution of Shareholdings as on 31<sup>st</sup> March, 2023**

Category	No. of Shareholders	% of Total Number of Shareholders	Amount	% of Amount
1-5000	1	0.08	300.00	0.00
5001- 10000	1	0.08	9250.00	0.00
10001- 20000	1110	89.09	17760000.00	7.38
20001- 30000	11	0.88	302960.00	0.13
30001- 40000	28	2.25	896000.00	0.37
40001- 50000	8	0.64	384000.00	0.16
50001- 100000	14	1.12	1003050.00	0.42
100001& Above	73	5.86	220303310.00	91.54
<b>Total:</b>	<b>1246</b>	<b>100.00</b>	<b>240658870.00</b>	<b>100.00</b>

**o) Shareholding Pattern as on 31<sup>st</sup> March, 2023**

Category of Shareholders	Holding %
Promoters / Directors/Relatives – Indian	57.55
International Investors (FIIs/NRIs/OCBs)	0.49
Bodies Corporate	2.64
Resident Indians	34.28
Others	5.05
<b>Total</b>	<b>100.00</b>

- p) Address for Investors Correspondence** : KFin Technologies Private Limited  
(For transfer/dematerialisation of Shares and any other query) (Unit Sudarshan Pharma Industries Limited)  
Kfin Selenium, Tower- B, Plot No 31 & 32,  
Financial district,  
Hyderabad, 500032  
Tel.: 040 67161700  
Fax: 040 67161680  
Website :
- q) Email Id for investors correspondence** : [compliance@sudarshanpharma.com](mailto:compliance@sudarshanpharma.com)
- r) Any query on Annual Report** : Ms. Ishita Samani  
Company Secretary  
Sudarshan Pharma Industries Limited  
301, 3<sup>rd</sup> Floor, Aura Biplax, Above Kalyan Jewellers S. V.  
Road, Borivali (West) Mumbai-400092,  
e-mail: [compliance@sudarshanpharma.com](mailto:compliance@sudarshanpharma.com)

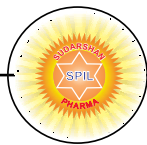
**s) Outstanding GDR/ADR/Warrants/convertible instruments**

The Company has not issued any GDR/ADR/Warrants/convertible instruments during the Financial Year 2022-2023.

**t) Commodity Price Risks / Foreign Exchange Risk and Hedging Activities**

The Company does not trade in commodity market. The Company has in place a robust risk management framework for identification and monitoring and mitigation foreign exchange risks.





**u) Plant Locations**

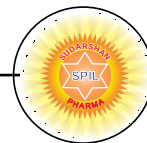
The Company operates in the State of Maharashtra, Gujarat, Himachal Pradesh, Uttarakhand.

**v) Subsidiary Companies**

The Company has adopted policy for Determining Material Subsidiaries, pursuant to the SEBI LODR. This policy is available on the Company's website. The Company does not have any material unlisted Indian Subsidiary Company during the year under review.

Disclosures on compliance with Corporate Governance requirements specified in regulation 17 to 27 of the SEBI LODR is not applicable to the company being SME listed as per Regulation XXX of SEBI (LODR), Regulations, 2015.





**DECLARATION BY CFO UNDER REGULATION 26(3) READ WITH PARA D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERANCE TO THE CODE OF CONDUCT**

Pursuant to Regulation 26(3) read with Para 'D' of Schedule 'V' of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and Senior Management personnel have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended 31<sup>st</sup> March, 2023.

**For Sudarshan Pharma Industries Limited**

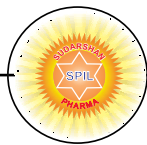
**Dharam Jilka**

**Chief Financial Officer**

Place: **Mumbai**

Date: **21<sup>st</sup> July, 2023**





## CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY

I, Hemal Mehta, Chairman/Managing Director of Sudarshan Pharma Industries Limited (“the Company”), certify that:

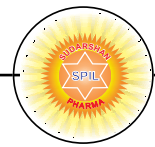
- a) I have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March, 2023 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - (ii) These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2023 are fraudulent, illegal or violative of the Company’s Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or proposed to taken to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting.
  - (ii) Significant changes in accounting policies; and
  - (iii) That there have been no instances of significant fraud of which I am aware that involve management or other employees having significant role in the Company’s internal control system over financial reporting.

On behalf of the Board of Directors  
For **Sudarshan Pharma Industries Limited**

Date: **21<sup>st</sup> July, 2023**

Place: **Mumbai**

**Hemal Mehta**  
**CHAIRMAN**



Disclosures pursuant to Section 197(12) of the Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

**i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2022-23.**

Sr. No.	Name of Director / Key Managerial Personnel (KMP)	Ratio of remuneration of each Director / KMP to median remuneration of employees	% of increase in Remuneration in the Financial Year 2022-2023
<b>Executive Directors</b>			
1	Mr. Hemal Mehta	18.90	20.00
2	Mr. Sachin Mehta	18.90	20.00
<b>Key Managerial Personnel (KMP)</b>			
3	Mr. Dharam Jilka (Chief Financial Officer)	0.38	NA
4	Ms. Geeta Amesar (\$) (Company Secretary)	0.78	NA
5	Ms. Ishita Samani (*) (Company Secretary)	0.99	NA

\*Ms. Ishita Samani was appointed as the Company Secretary on 17<sup>th</sup> December, 2022 (current Year) and hence there was no Increase in the Remuneration (for comparison to last year) during her existing tenure.

\$ Ms. Geeta Amesar continued her services as Company secretary till 03<sup>rd</sup> December, 2022.

**ii. The percentage increase in median remuneration of employee in the financial year 2022-23**

Median remuneration of each employee increased by 5.12% in financial year 2022-23.

**iii. The number of permanent employees on the rolls of Company as on 31st March, 2023**

56

**iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial Remuneration**

The average percentile increase in employees' salaries is 18.73% while average percentile increase in salaries of managerial personnel is 23.72%.

**v. Affirmation that the remuneration is as per the remuneration policy of the Company**

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

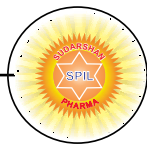
**For and on behalf of the Board of Directors  
Hemal Mehta**

Place: Mumbai

Date: 21<sup>st</sup> July, 2023

Chairman & Managing Director

DIN: 02211121



## Independent Auditor's Report

### To the Sudarshan Pharma Industries Limited

### Report on audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Sudarshan Pharma Industries Limited** ("**the Company**") which comprises the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters

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

We have nothing to report in this regard.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the "Management Discussion and Analysis" and "Director's Report", but does not include the standalone financial statements and our auditor's report thereon.

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

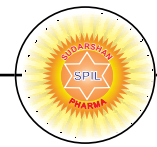
In connection with our audit of the standalone financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that





were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial 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.

Those 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.

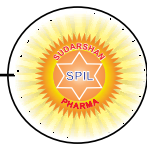
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

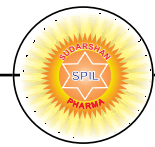
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  1. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2023.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**FOR NGST & ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No 135159W**

**Place: Mumbai**  
**Date: 26<sup>th</sup> May 2023**

**Twinkal P Jain (Partner)**  
**Membership No. 156938**  
**UDIN - 23156938BGXPLQ6506**



## ANNEXURE - A TO AUDITOR'S REPORT

**(Referred to our report of even date)**

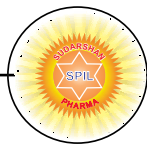
**The Annexure referred to in our Independent Auditors' Report to the members of Sudarshan Pharma industries Limited ("the Company") on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2023, we report that:**

- i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (b) According to the information and explanation given to us, all the property, plant and equipment have been physically verified by the management during the year and we are informed that the management on such verification has noticed no material discrepancies. In our opinion the frequency of verification is reasonable.
  - (c) The title deeds of immovable properties are held in the name of the company except that they are mortgaged to bank as per the report given by the external valuer during the year and as per the management and we have relied upon the same.
  - (d) The Company has not revalued its property, plant and equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
  - (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. As explained to us, there is no material discrepancy noticed on physical verification of inventory as compared to book records.
  - (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.
- iii) (a) During the year the Company has provided loans and stood guarantee to the companies as follows:

(₹ In Lakhs)

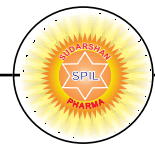
Aggregate amount granted / provided during the year	Guarantees	Security	Loans	Advances in nature of loans
-Wholly owned Subsidiaries	Nil	Nil	Nil	Nil
Balance outstanding as at balance sheet date in respect of above cases				
- Wholly owned Subsidiaries	Nil	Nil	Nil	Nil

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies are not prejudicial to the Company's interest.
- iv) The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v) In our opinion and according to the information and explanation given to us by the management, the company has not accepted any deposit from the public and therefore the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
- vi) The Central Government has prescribed maintenance of the cost records under sub section (1) of section 148 of the Companies Act, 2013 in respect to the company's products. We have broadly reviewed the books of accounts & records maintained by the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made & maintained. We have however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.



- vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, custom duty and goods and service tax and other material statutory dues applicable to it have *generally* been regularly deposited with the appropriate authorities and no undisputed amounts payable in respect of these were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty and cess on account of any dispute.
- viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. Further, the Company has not issued any debenture.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone Ind AS standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi) (a) During the course of our examination of the books and records of the company and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company or any fraud on the company by its officers or employees, which has been noticed or reported during the current year, nor we have been informed of such case by the management.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.





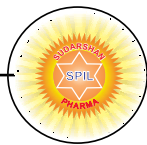
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv) The Company has not entered into non-cash transactions with directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted non-banking financial activities or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group does not have any CIC. Accordingly, clauses xvi(d) are not applicable to the Company.
- xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

**FOR NGST & ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No 135159W**

**Place: Mumbai**  
**Date: 26<sup>th</sup> May 2023**

**Twinkal P Jain (Partner)**  
**Membership No. 156938**  
**UDIN - 23156938BGXPLQ6506**





## ANNEXURE - B TO THE AUDITORS' REPORT

### **Report on the Internal Financial Controls under Clause (I) of Sub-Section 143 of The Companies Act, 2013 ("The Act")**

We have audited the internal financial controls over financial reporting of Sudarshan Pharma Industries Limited ('the company'), as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

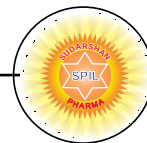
#### **Meaning of Internal Financial Controls over Financial Reporting**

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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and



not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

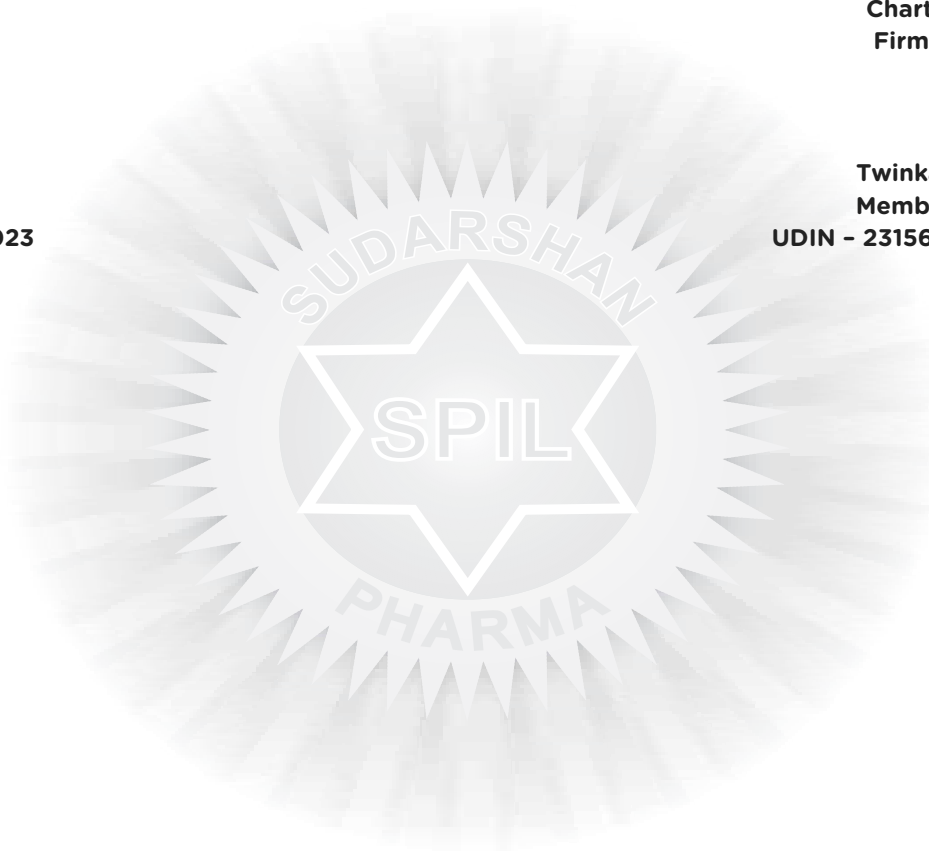
### **Opinion**

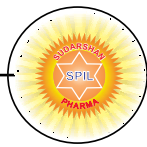
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR NGST & ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No 135159W**

**Place: Mumbai**  
**Date: 26<sup>th</sup> May 2023**

**Twinkal P Jain (Partner)**  
**Membership No. 156938**  
**UDIN - 23156938BGXPLQ6506**





## STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2023

( ₹ in Lakhs)

PARTICULARS	Note. No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
Share Capital	1	2,406.59	974.90
Reserves and Surplus	2	7,691.58	2,003.16
<b>(2) Non-Current Liabilities</b>			
Long-Term Borrowings	3	1,278.83	493.97
Long Term Provisions	4	5.94	4.17
Deferred Tax Liabilities (Net)	5	18.02	14.05
<b>(3) Current Liabilities</b>			
Short-Term Borrowings	6	2,130.55	2,564.26
Trade Payables	7		
-total outstanding dues of MSME		1,094.92	307.27
-total outstanding dues of creditors other than MSME		8,093.99	7,067.83
Other Current Liabilities	8	455.63	282.49
Short Term Provisions	9	70.91	39.05
<b>Total Equity &amp; Liabilities</b>		<b>23,246.97</b>	<b>13,751.14</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
Property, Plant and Equipments and Intangible Assets	10		
(i) Property, Plant and Equipment		1,899.08	634.88
(ii) Intangible Assets		89.67	11.90
(iii) Capital Work in Progress		1.18	53.56
		<b>1,989.93</b>	<b>700.35</b>
Non-Current Investments	11	1,244.14	10.22
Long Term Loans and Advances	12	161.57	93.62
<b>(2) Current Assets</b>			
Inventories		7,456.79	4,686.99
Trade Receivables	13	8,150.93	7,347.67
Cash and Cash Equivalents	14	1,171.09	22.60
Other Current Assets	15	3,072.53	889.71
<b>Total Assets</b>		<b>23,246.97</b>	<b>13,751.14</b>

Significant Accounting Policies and Notes to the Standalone Financial Statements 1-50

### As per Report of Even date

#### For NGST & Associates

Chartered Accountants

Firm Registration number : 135159W

#### Twinkal P. Jain

Partner

Membership No.: 156938

#### For Sudarshan Pharma Industries Ltd

#### Hemal Vasantra Mehta

Sachin Vasantra Mehta

Ishita Ashok Samani

Jaya Ankur Singhania

Dharam Vinod Jilka

Umesh Luthra

Rushabh Patil

Managing Director

Joint Managing Director

Company Secretary

Independent Director

Chief Financial Officer

Independent Director

Independent Director

DIN : 02211121

DIN : 02211178

ACS : 67814

DIN: 01990322

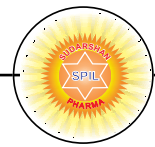
DIN: 06692755

DIN: 09779021

Place : Mumbai

Date : 26<sup>th</sup> May, 2023

Date : 26<sup>th</sup> May, 2023



## STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(₹ in Lakhs)

PARTICULARS	Note. No.	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
Revenue from Operations	16	46,133.19	35,709.46
Other Income	17	111.71	46.43
<i>Total Income (I)</i>		<b>46,244.90</b>	<b>35,755.89</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	18	32.27	-
Purchase of Stock-in-Trade		45,724.89	35,801.38
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(2,662.46)	(2,290.57)
Employee Benefit Expenses	20	297.51	243.02
Finance Costs	21	540.23	337.90
Depreciation and Amortization Expenses	22	90.71	86.59
Other Expenses	23	1,271.80	863.63
<i>Total Expenses (II)</i>		<b>45,294.96</b>	<b>35,041.95</b>
<b>Profit before exceptional and extraordinary items and tax</b>	(I - II)	<b>949.93</b>	<b>713.94</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>949.93</b>	<b>713.94</b>
Extraordinary items		-	-
<b>Profit before tax</b>		<b>949.93</b>	<b>713.94</b>
<i>Tax expense:</i>			
(a) Current tax		241.98	188.33
(b) Deferred tax		3.97	0.37
<b>Total Tax Expense</b>		<b>245.95</b>	<b>188.70</b>
Profit/(Loss) for the year		<b>703.98</b>	<b>525.24</b>
Earning per equity share:	42		
Basic EPS		5.48	5.46
Diluted EPS		5.48	5.46

Significant Accounting Policies and Notes to the Standalone Financial Statements 1-50

### As per Report of Even date

#### For NGST & Associates

Chartered Accountants

Firm Registration number : 135159W

#### Twinkal P. Jain

Partner

Membership No.: 156938

#### For Sudarshan Pharma Industries Ltd

#### Hemal Vasantrai Mehta

Sachin Vasantrai Mehta

Ishita Ashok Samani

Jaya Ankur Singhania

Dharam Vinod Jilka

Umesh Luthra

Rushabh Patil

Managing Director

Joint Managing Director

Company Secretary

Independent Director

Chief Financial Officer

Independent Director

Independent Director

DIN : 02211121

DIN : 02211178

ACS : 67814

DIN: 01990322

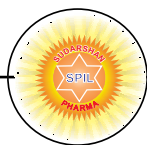
DIN: 06692755

DIN: 09779021

Place : Mumbai

Date : 26<sup>th</sup> May, 2023

Date : 26<sup>th</sup> May, 2023

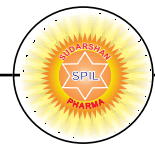


## STANDALONE CASH FLOWS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

( ₹ in Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. Cash Flows From Operating Activities</b>		
Net Profit before Tax	949.93	713.94
<b>Adjustments for:</b>		
Depreciation and Amortization Expenses	90.71	86.59
Interest & Finance charges	540.23	337.90
Interest Income	(48.98)	(16.92)
<b>Operating Cash Generated Before Working Capital Changes</b>	<b>1,531.90</b>	<b>1,121.51</b>
(Increase) / Decrease in Inventory	(2,769.80)	(2,290.57)
(Increase)/ Decrease in Trade Receivables	(803.26)	(1,308.24)
(Increase)/Decrease in Other Current Assets	(2,182.82)	(686.68)
Increase/(Decrease) in Short Term Borrowings	(433.71)	(39.18)
Increase/(Decrease) in Trade Payables	1,813.82	2,953.32
Increase/(Decrease) in Other Liabilities	173.14	55.28
Increase / (Decrease) in Short Term Provisions	0.48	(0.50)
Increase / (Decrease) in Long Term Provisions	1.77	1.66
<b>Net Changes in Working Capital</b>	<b>(4,200.39)</b>	<b>(1,314.90)</b>
Less : Tax expense	210.59	176.83
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(2,879.07)</b>	<b>(370.22)</b>
<b>B. Cash Flows From Investing Activities</b>		
Sale / (Purchase) of Fixed Assets (Net)	(1,432.68)	(112.08)
Sale / (Purchase) of Non Current Investments (Net)	(1,233.93)	(4.90)
(Increase) / Decrease in Capital Work in Progress	52.39	(53.56)
Interest Income	48.98	16.92
<b>Net Cash Generated From Investing Activities (B)</b>	<b>(2,565.24)</b>	<b>(153.62)</b>





## STANDALONE CASH FLOWS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

( ₹ in Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>C. Cash Flow From Financing Activities</b>		
Increase / (Decrease) in Share Capital	6,416.13	202.00
Proceeds / (Repayment) of Long Term Borrowings	784.86	120.32
Decrease / (Increase) in Long Term Loans & Advances	(67.95)	446.54
Interest Expenses	(540.23)	(337.90)
<b>Net Cash from Financing Activities [C]</b>	<b>6,592.81</b>	<b>430.96</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>1,148.49</b>	<b>(92.89)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>22.60</b>	<b>115.49</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1,171.09</b>	<b>22.60</b>
<b>Debt reconciliation statement</b>		
<b>Long Term Borrowings</b>		
Opening Balance	493.97	532.09
Proceeds/(Repayments) from borrowings (net)	784.86	120.32
Closing Balance	<b>1,278.83</b>	<b>493.97</b>
<b>Short Term Borrowings</b>		
Opening Balance	2,564.26	2,445.00
Proceeds/(Repayments) from borrowings (net)	(433.71)	(39.18)
Closing Balance	<b>2,130.55</b>	<b>2,564.26</b>

### As per Report of Even date

#### For NGST & Associates

Chartered Accountants

Firm Registration number : 135159W

#### Twinkal P. Jain

Partner

Membership No.: 156938

#### For Sudarshan Pharma Industries Ltd

#### Hemal Vasantraai Mehta

Sachin Vasantraai Mehta

Ishita Ashok Samani

Jaya Ankur Singhania

Dharam Vinod Jilka

Umesh Luthra

Rushabh Patil

Managing Director

Joint Managing Director

Company Secretary

Independent Director

Chief Financial Officer

Independent Director

Independent Director

DIN : 02211121

DIN : 02211178

ACS : 67814

DIN: 01990322

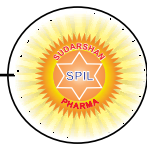
DIN: 06692755

DIN: 09779021

Place : Mumbai

Date : 26<sup>th</sup> May, 2023

Date : 26<sup>th</sup> May, 2023



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Corporate Information

Sudarshan Pharma Industries Limited ("the Company") was incorporated on 23<sup>rd</sup> July, 2008 as public limited company, under the Companies Act, 2013 having CIN: U51496MH2008PLC184997 listed in BSE SME and having its registered office at 301, Aura Biplax, Premium Retail Premises, 7, S. V. Road, Borivali (West), Mumbai - 400 092. The Company is engaged in jobwork manufacturing in Pharmaceutical Items and traders in Chemicals and Solvents in India. The Company operates in the State of Maharashtra, Gujarat, Himachal Pradesh and Uttarakhand.

### Statement of Significant Accounting Policies

#### a. **Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013 ('the Act'), read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. All the amounts disclosed in the financial statements and notes are presented in Indian rupees have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless otherwise stated. The amount '0.00' denotes amount less than Rupees Five Hundred.

#### b. **Use of Estimates**

The preparation of the financial statement in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions,

uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustments to the carrying amounts of assets or liabilities in future periods.

#### c. **Revenue Recognition**

##### i. **Revenue from Sale of Goods:**

Revenue from sales of goods is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### ii. **Revenue from Sale of Services:**

Revenue is measured at the fair value of the consideration received or receivable for services rendered, net of discounts to customers excluding taxes or duties collected on behalf of the government.

##### iii. **Interest Income :**

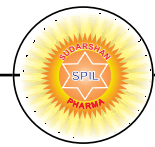
Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### d. **Property, Plant & Equipments**

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Finance cost relates to acquisition of fixed assets are included to the extent they relate to the period till such assets are ready to be put to intended use. In the case of new projects successfully implemented, substantial expansion of existing units and expenditure resulting into enduring benefit, all pre-operative expenses including depreciation and interest on borrowings for the project, incurred up to the date of installation are capitalized and added pro-rata to the Cost of related Fixed Assets of project.

#### **Intangible Assets**

Intangible assets are stated at cost of acquisition less accumulated depreciation/amortisation.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### **Capital Work-In-Progress**

Expenses incurred for acquisition of Capital Assets outstanding at each balance sheet date are disclosed under Capital Work-in-Progress. Advances given towards the acquisition of Fixed Assets are shown separately as Capital advances under head long term loans & advances.

### e. **Depreciation**

The Company has revised its policy of providing depreciation on tangible fixed assets with effect from April 1, 2014. Depreciation is now provided on a straight line basis for all assets as against the policy of providing on written down value basis for assets pertaining to other than casino, hospitality and aviation business. Further, the management of the Group has reviewed / determined tangible fixed assets remaining useful lives. Accordingly, the depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act, 2013. Leasehold assets are depreciated on a straight-line basis over the period of lease.

### **Intangible Assets**

Intangible assets are amortized over estimated useful life on a straight line basis.

### f. **Employee Benefits**

- i) Defined contribution plan: The Company's contributions paid or payable during the year to the provident fund for the employees is recognized as an expense in the Statement of Profit and Loss.
- ii) Defined Benefit Plan: The Company's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognized in the statement of Profit and Loss in the period of occurrence of such gains and losses. Sick leaves and casual leaves are not encashable. However, as the same are eligible for carry forward, provision has been made based on Actuarial Valuation report.

### g. **Foreign Currency Transactions**

- i. Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the statement of profit and loss.
- ii. Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on balance sheet date. The resultant exchange difference is recognized in the statement of profit & loss.
- iii. Exchange rate differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the company's financial statements until the disposal of the net investment.
- iv. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

### h. **Borrowing Costs**

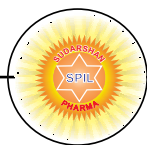
Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that necessarily takes a substantial Year of time for its intended use) are capitalized. Other borrowing costs are recognized as expenses in the period in which same are incurred.

### i. **Taxation**

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the year.

#### i. **Current Tax**

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### ii. Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the Year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

### j Investments :

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long term investments, are stated at the lower of cost and fair value

### k Inventories :

Inventories have been taken as valued and certified by the Management. The basis of valuation is as under: Raw materials, Stores & Spares - at cost or net realizable value whichever is lower. Finished goods and traded goods - at cost or net realizable value on FIFO basis whichever is lower.

### l Provisions, contingent Liabilities and contingent assets:

Provisions are recognised when the company has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the best estimate of expenditure, that is required to settle the present obligation at the balance sheet date and are not discounted to its present value.

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized or disclosed in the financial statements.

### m Operating Leases

Lease contracts that do not transfer substantially all the risks and benefits of ownership of the assets to the company are classified as operating leases. Where lease rentals are so structured that the rental outflow is higher in the later periods of lease term, such lease rentals are recognised in the statement of profit and loss on a straight line basis over the lease term. Other operating leases are recognised in the statement of profit and loss as per the terms of the lease contract.

### n Segment Reporting

The Company has only one business segment and geographical segment. Therefore there is no separate reportable segment as per AS-17.

### o. Earning Per Share

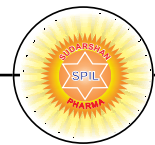
Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (Consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

### p Impairment of Assets

The Company evaluates all its assets for assessing any impairment and accordingly recognizes the impairment, wherever applicable, as provided in Accounting Standard 28, "Impairment of Assets".

### q Miscellaneous Expenditures

Miscellaneous Expenditures are fully charged off in the year in which they are incurred.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 1 Share Capital

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number of Shares	Amount in Lakhs	Number of Shares	Amount in Lakhs
<b>AUTHORIZED CAPITAL</b> 2,50,00,000 Equity Shares of ₹ 10/- each. ( Previous year 1,29,99,999 Equity Shares of ₹ 10/- each.)	2,50,00,000	2,500.00	1,29,99,999	1,300.00
	2,50,00,000	2,500.00	1,29,99,999	1,300.00
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 2,40,65,887 Equity Shares of ₹ 10/- each, Fully Paid Up ( Previous year 97,48,998 Equity Shares of ₹ 10/- each.)	2,40,65,887	2,406.59	97,48,998	974.90
<b>Total</b>	<b>2,40,65,887</b>	<b>2,406.59</b>	<b>97,48,998</b>	<b>974.90</b>

### Note No. 1(a) The Reconciliation of the No. of Shares outstanding at the beginning and at the end of the year

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number of Shares	Amount in Lakhs	Number of Shares	Amount in Lakhs
<b>Equity Shares:</b>				
Shares outstanding at the beginning of the year	97,48,998	974.90	95,46,998	954.70
Bonus Shares Issued during the year	57,34,489	573.45	-	-
Fresh Shares Issued during the year	85,82,400	858.24	2,02,000	20.20
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>2,40,65,887</b>	<b>2,406.59</b>	<b>97,48,998</b>	<b>974.90</b>

### Note No. 1(b) Right, Preferences and Restriction attached to Shares

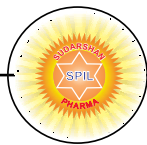
#### Equity Shares

The company has only one class of Equity having a par value ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend is proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of the interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in portion to their shareholding.

### Note No. 1 (c) Shares held by each shareholder holding more than 5% of shares

Name of Shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sachin Vasantrai Mehta	66,20,547	27.51%	44,13,698	45.27%
Hemal Vasantrai Mehta	64,02,102	26.60%	42,68,068	43.78%





## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note No. 1 (d) Shareholding of Promoters & % of change during the year

Name of the Promoter Group	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	No. of Shares held	% of total shares	% Change	No. of Shares held	% of total shares	% Change
<b>Equity shares with voting rights</b>						
Hemal Vasantrai Mehta	64,02,102	26.60%	50.00%	42,68,068	43.78%	0.76%
Sachin Vasantrai Mehta	66,20,547	27.51%	50.00%	44,13,698	45.27%	7.75%
Devangi Hemal Mehta	2,29,407	0.95%	50.00%	1,52,938	1.57%	0.00%
Sachin V Mehta HUF	1,64,512	0.68%	50.00%	1,09,675	1.12%	0.00%
Hemal V Mehta HUF	1,64,512	0.68%	50.00%	1,09,675	1.12%	0.00%
Namrata Sachin Mehta	1,64,512	0.68%	50.00%	1,09,675	1.12%	0.00%
Vasantray Ratilal Mehta	32,872	0.14%	50.00%	21,915	0.22%	0.00%
Indumati V Mehta	16,447	0.07%	50.00%	10,965	0.11%	0.00%
Jatin Vasantrai Mehta	16,447	0.07%	50.00%	10,965	0.11%	0.00%
<b>Total</b>	<b>1,38,11,358</b>	<b>57.39%</b>	<b>50.00%</b>	<b>92,07,574</b>	<b>94.45%</b>	<b>3.95%</b>

**Note No. 1 (e) :** During the year, the Company has issue 13,70,000 shares through private placement on 30<sup>th</sup> September, 2022.

**Note No. 1 (f) :** During the year, the Company has issue 3,50,000 shares through private placement by way of conversion of loan into Equity shares on 07<sup>th</sup> October, 2022.

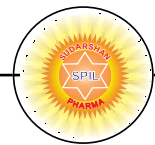
**Note No. 1 (g) :** During the year, on 21<sup>st</sup> November, 2022, the company has issued 57,34,489 Equity Shares as Bonus Shares in the ratio 2 : 1 to the existing shareholders of the company by capitilisation of Reserves of the Company.

**Note No. 1 (f) :** During the year, on 22<sup>nd</sup> March, 2023, the company has issued 68,62,400 Equity Shares under SME IPO, which got listed on the BSE on 22<sup>nd</sup> March, 2023 having BSE Scrip Code 543828. The transaction costs pertaining to the issue have been debited to the share premium account.

### Note : 2 Reserves and Surplus

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Surplus (Profit &amp; Loss Account)</b>		
Balance brought forward from previous year	1,206.58	681.34
Add: Profit for the year	703.98	525.24
	1,910.56	1,206.58
<b>Share Premium</b>		
Balance brought forward from previous year	796.58	614.78
Add: Additional shares issued during the year	6,387.31	181.80
Less : Utilised for Bonus shares issued during the year	(573.45)	-
Less : Share Issue Expenses incurred during the year	(829.42)	-
	5,781.02	796.58
<b>TOTAL</b>	<b>7,691.58</b>	<b>2,003.16</b>



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 3 Long Term Borrowings

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Secured Loans</b>		
Term Loans from Banks	1,462.53	526.55
Less : Current Maturities of long term debt	(284.84)	(118.63)
	<b>1,177.70</b>	<b>407.92</b>
<b>Unsecured Loans</b>		
Term Loans from Banks & NBFC's	112.61	173.45
Less : Current Maturities of long term debt	(11.47)	(87.40)
	<b>101.13</b>	<b>86.05</b>
<b>Total</b>	<b>1,278.83</b>	<b>493.97</b>

#### Note 3.1 : From Bank 1

Long Term loans Outstanding balance as at balance sheet date carry interest @7.50% to @12.90% p.a. is repayable over a period of 24 to 48 months in varying monthly installments, is secured by second charge by way of hypothecation of movable fixed assets and current assets of the company on pari passu basis with banks along with personal guarantee given Promoter Directors of the company.

#### Note 3.2 : From Bank 2

Long Term loans Outstanding balance as at balance sheet date carry interest @8.50% to @9.00% p.a. is repayable over a period of 24 to 60 months in varying monthly installments is secured by second charge on entire current assets and Movable Fixed Assets of the Company, both present and future on pari passu basis with banks along with personal guarantee given Promoter Directors of the company.

#### Note 3.3 : From Bank 3

Long Term loans Outstanding balance as at balance sheet date carry interest @8.50% p.a. is repayable over a period of 96 months in varying monthly installments, is secured by exclusive charge on immovable property owned by Promoters Directors along with second charge on entire current assets and Movable Fixed Assets of the Company, both present and future on pari passu basis with banks along with personal guarantee given Promoter Directors of the company.

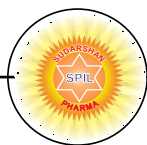
#### Note 3.4 : Terms Loans from Banks & NBFC's

Unsecured Business loans from various Banks/Financial Institutions for a tenure of 36 months with rate of interests ranging from 16% to 20% per annum from various Banks and NBFC's.

### Note : 4 Long Term Provisions

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<u>Provision for Employee Benefits (Unfunded)</u>		
Gratuity	5.04	3.10
Leave Encashment	0.90	1.07
<b>Total</b>	<b>5.94</b>	<b>4.17</b>



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 5 Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<u>Deferred Tax Liabilities :</u>		
Property, Plant and Equipment	21.03	14.05
<b>(A)</b>	<b>21.03</b>	<b>14.05</b>
<u>Deferred Tax Assets :</u>		
Provision for Carried Forward Loss	2.45	-
Provision for Employee Benefits	0.55	-
<b>(B)</b>	<b>3.00</b>	<b>-</b>
<b>Net Deferred Tax Liabilities / (Assets) ( A - B)</b>	<b>18.02</b>	<b>14.05</b>
<b>Total</b>	<b>18.02</b>	<b>14.05</b>

### Note : 6 Short Term Borrowings

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Secured / Unsecured Loans</b>		
Working Capital Limits with Banks	1,641.36	2,211.07
Unsecured Short Term Loans from NBFC	192.88	147.17
	1,834.24	2,358.23
<u>Current Maturities of long term debt</u>		
-for Secured Term Loans taken from Banks	284.84	118.63
-for Unsecured Term Loans taken from Banks & NBFC's	11.47	87.40
	296.31	206.03
<b>Total</b>	<b>2,130.55</b>	<b>2,564.26</b>

#### Note 6.1 : Working Capital Facilities from Bank 1

Working Capital Facility of ₹ 2400.00 Lacs from Bank is repayable on demand having rate of interest of EBLR + 3.00% p.a. is secured by way of hypothecation of movable fixed assets and current assets of the company on pari passu basis with Other Banks, along with exclusive charge on immovable property owned by Promoter Directors of the company.

#### Note 6.2 : Working Capital Facilities from Bank 2

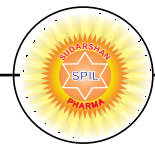
Working Capital Facility of ₹ 1200.00 Lacs from bank is repayable on demand having rate of interest of 8.00% p.a. is secured by way of hypothecation of movable fixed assets and current assets of the company on pari passu basis with Other Banks, along with exclusive charge on immovable property owned by Promoter Directors of the company.

#### Note 6.3 : Working Capital Facilities from Bank 3

Working Capital Facility of ₹ 1250.00 Lacs from bank is repayable on demand having rate of interest of 8.50% p.a. is secured by way of hypothecation of movable fixed assets and current assets of the company on pari passu basis with other banks, along with exclusive charge on immovable property owned by Promoter Directors of the company.

#### Note 6.4 : Working Capital Facilities from NBFC

Working Capital Demand Loan of ₹ 200.00 Lacs from Tata Capital Financial Services Ltd is repayable on demand having rate of interest of 10.75% p.a. is secured by way of Fixed Deposit.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 7 Trade Payables

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Total outstanding dues of MSME	1,094.92	307.27
Total outstanding dues of creditors other than MSME	8,093.99	7,067.83
<b>Total</b>	<b>9,188.91</b>	<b>7,375.09</b>

The Company has certain dues to suppliers registered under as 'micro' and 'small' under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
The principal amount remaining unpaid to any supplier as at the end of accounting year	1,094.92	307.27
The interest due thereon remaining unpaid to any supplier as at the end of accounting year	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 but interest not paid)	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

### Note : 8 Other Current Liabilities

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance from Customers	134.71	43.16
Creditors for Expenses	141.01	204.72
Duties and Taxes	140.52	27.70
Interest Accrued and Due	2.52	3.64
Other Payables	36.87	3.27
<b>Total</b>	<b>455.63</b>	<b>282.49</b>

### Note : 9 Short Term Provisions

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Provision for Employee Benefits (Unfunded):		
- Gratuity	0.55	0.04
- Leave Encashment	0.17	0.26
Employee Benefit Payable	6.21	6.15
Provision for Income Tax (Net of Taxes paid)	63.99	32.60
<b>Total</b>	<b>70.91</b>	<b>39.05</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023**

**NOTE : 10 PROPERTY, PLANT & EQUIPMENTS**

**Tangible Assets**

( ₹ in Lakhs)

Particulars	Gross Block			Depreciation			Net Block	
	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2022
Factory Land at Kudus	32.05	-	-	32.05	-	-	32.05	32.05
Factory Land at Mahad	-	118.85	-	118.85	-	-	118.85	-
Factory Land at Talasari	-	896.43	-	896.43	-	-	896.43	-
Factory Premises	147.73	-	-	147.73	4.68	-	163.77	136.04
Furnitures & Fixtures	226.62	53.56	-	280.18	25.95	-	94.00	158.57
Office Equipment	138.61	28.19	(33.53)	133.27	18.67	(19.73)	37.63	99.92
Vehicle	7.26	42.72	-	49.99	3.16	-	6.93	3.50
Computer	57.98	1.10	(27.23)	31.85	12.08	(17.29)	27.52	25.24
Plant & Machinery	198.53	241.06	(13.50)	426.10	15.95	-	34.92	179.56
<b>TOTAL</b>	<b>808.78</b>	<b>1,381.92</b>	<b>(74.26)</b>	<b>2,116.45</b>	<b>80.48</b>	<b>(37.02)</b>	<b>217.37</b>	<b>634.88</b>

**Intangible Assets**

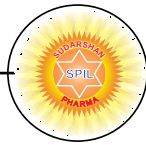
Particulars	Gross Block			Depreciation			Net Block	
	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2022
Software & Web Design	40.51	88.00	-	128.51	10.23	-	38.83	11.90
<b>TOTAL</b>	<b>40.51</b>	<b>88.00</b>	<b>-</b>	<b>128.51</b>	<b>10.23</b>	<b>-</b>	<b>38.83</b>	<b>11.90</b>
<b>Capital Work In Progress</b>								
Work In Progress	53.56	118	53.56	1.18	-	-	1.18	53.56
<b>CURRENT YEAR TOTAL</b>	<b>902.85</b>	<b>1,471.10</b>	<b>(20.69)</b>	<b>2,246.13</b>	<b>90.71</b>	<b>(37.02)</b>	<b>256.20</b>	<b>700.35</b>
<b>PREVIOUS YEAR TOTAL</b>	<b>763.68</b>	<b>175.79</b>	<b>36.61</b>	<b>902.85</b>	<b>86.59</b>	<b>26.47</b>	<b>202.51</b>	<b>621.29</b>

**Ageing schedule for Capital work in progress (CWIP) as on 31<sup>st</sup> March, 2023**

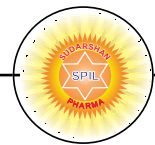
CWIP	Amount in CWIP for a year of			Total
	Less than 1 year	1-2 years	2-3 years	
Project in progress	1.18	-	-	1.18
Projects temporarily suspended	-	-	-	-

**Ageing schedule for Capital work in progress (CWIP) as on 31<sup>st</sup> March, 2022**

CWIP	Amount in CWIP for a year of			Total
	Less than 1 year	1-2 years	2-3 years	
Project in progress	53.56	-	-	53.56
Projects temporarily suspended	-	-	-	-







## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 11 Non Current Investments

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Investment In Equity Instruments</b>		
<b>In Subsidiary Company</b>		
Sudarshan Pharma Lifescience Private Limited (formerly named as Sudarshan RJMS Healthcare Private Limited) (100000 ( P.Y. 100000) Equity Shares of ₹ 10/- each)	10.00	10.00
<b>In Others</b>		
Dombivali Nagri Sahakari Bank	0.02	0.02
<b>Other Non-Current investments</b>		
Investment in Commercial Premises (mortgaged against the credit limits taken from the bank)	1,233.93	-
National Saving Certificate (pledged with Gujarat VAT Department)	0.20	0.20
<b>Total</b>	<b>1,244.14</b>	<b>10.22</b>

### Note : 12 Long Term Loans and Advances

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Security Deposits for Premises	8.17	4.44
Other Security Deposits	50.30	0.41
Other Loans & Advances	103.09	88.78
<b>Total</b>	<b>161.57</b>	<b>93.62</b>

### Note : 13 Trade Receivable

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Unsecured Considered Good		
Due for more than Six Months	476.82	351.86
Others	7,674.11	6,995.81
<b>Total</b>	<b>8,150.93</b>	<b>7,347.67</b>

### Note : 14 Cash and Cash Equivalents

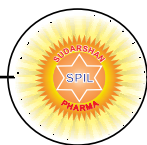
( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash and Cash Equivalents		
Cash In Hand	6.07	1.87
Bank Balances	1,165.02	20.73
<b>Total</b>	<b>1,171.09</b>	<b>22.60</b>

### Note : 15 Other Current Assets

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance to Staff	1.24	3.17
Balance with Government authorities	1,277.13	427.71
Fixed Deposits with bank under Lien	608.61	423.68
Inter-Corporate Loans	1,086.89	-
Interest Accrued on Fixed Deposits	26.74	-
Other Receivable	24.30	16.89
Prepaid Expenses	47.61	18.24
<b>Total</b>	<b>3,072.53</b>	<b>889.71</b>



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 16 Revenue from Operations

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Sale of Goods	45,717.77	35,547.44
Sale of Services	415.42	162.02
<b>Total</b>	<b>46,133.19</b>	<b>35,709.46</b>

### Note : 17 Other Business Income

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest Income	48.98	19.90
Foreign Currency Exchange Gain	1.30	1.12
Rental Income	29.33	-
Other Income	32.09	25.41
<b>Total</b>	<b>111.71</b>	<b>46.43</b>

### Note : 18 Cost of Material Consumed

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Opening stock of Raw Materials	-	-
Add : Purchases	139.61	-
Less : Closing Stock of Raw Materials	107.34	-
<b>Total</b>	<b>32.27</b>	<b>-</b>

### Note : 19 Change in Inventories

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Opening Stock	4,686.99	2,396.42
Closing Stock	7,349.45	4,686.99
<b>Total</b>	<b>(2,662.46)</b>	<b>(2,290.57)</b>

### Note : 20 Employment Benefit Expenses

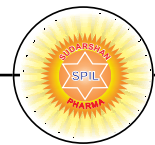
(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Salary	195.81	162.20
Contribution to Provident Fund & Others	1.37	1.56
Gratuity Fund and Leave Expenses	2.19	1.76
Staff Welfare Expenses	8.14	2.49
Directors Remuneration	90.00	75.00
<b>Total</b>	<b>297.51</b>	<b>243.02</b>

### Note :21 Finance Costs

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest on Term loans	136.80	101.07
Interest on Working capital loans	287.18	174.75
Other Borrowing costs	116.25	62.09
<b>Total</b>	<b>540.23</b>	<b>337.90</b>



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 22 Depreciation & Amortised Cost

( ₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Depreciation	90.71	86.59
<b>Total</b>	<b>90.71</b>	<b>86.59</b>

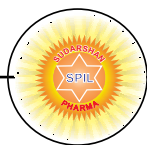
### Note : 23 Other Expenses

( ₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Operating Expenses</b>		
Clearing and Forwarding charges	294.34	85.36
Factory Expenses	20.40	-
Labour Charges	2.07	-
Loading Unloading Charges	32.18	35.51
Storage & Warehouse Expense	72.18	49.92
Transport Charges	324.58	237.23
Other Direct Cost	66.94	144.31
<b>Sub-total</b>	<b>812.68</b>	<b>552.33</b>
<b>Office, Admin and Selling &amp; Distribution Expenses</b>		
Advertisement expense	0.67	0.38
Auditors Remuneration	5.25	3.30
Business Promotion & Marketing Expenses	62.93	64.79
Commission & Brokerage Expenses	45.72	36.66
Donation & CSR Expenses	20.07	0.11
Insurance	17.19	10.75
Legal & Professional Charges	108.64	54.21
Loss on Sale of Fixed assets	23.74	9.92
Office and Sundry Expenses	23.84	12.10
Postage & Courier	7.52	2.88
Printing & Stationary	9.47	3.96
Rent, Rates & Taxes	90.01	58.16
Repairs and Maintainance	1.33	28.09
Telephone charges	6.73	3.01
Travelling & Conveyance	36.00	22.99
<b>Sub-total</b>	<b>459.12</b>	<b>311.30</b>
<b>Total</b>	<b>1,271.80</b>	<b>863.63</b>

( ₹ in Lakhs)

24	Contingent liabilities and commitments (to the extent not provided for)	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
24.1	<b>Contingent liabilities</b>		
	Outstanding Liability of Tax Deducted at Source	3.07	9.26
	<u>Claims against the Group's Disputed Liabilities not Acknowledged as Debts</u>		
	Income tax Liability	17.01	10.02



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

- 25** The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- 26** The Company has not revalued its Property, Plant and Equipment (and Right of Use assets) or intangible assets during the year.
- 27** The Company do not have any transactions with the Struck Off Companies during the year.

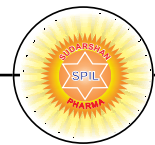
**28 Disclosure Regarding analytical ratios:**

Ratios	Numerator	Denominator	Unit	Year ended		%
				31.03.2023	31.03.2022	Variance
Current Ratio	Current Assets	Current Liabilities	Times	1.68	1.26	<b>33.33%</b>
Debt-equity ratio	Total Debt	Average Shareholder's Equity	Times	0.52	1.17	<b>-55.56%</b>
Debt service coverage ratio	Earnings available for debt service	Debt Service	Times	2.00	1.66	20.48%
Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	Percentage	10.77%	20.09%	<b>-46.39%</b>
Inventory turnover ratio	Cost of goods sold	Average of Inventories	Times	7.10	9.46	-24.95%
Trade receivables turnover ratio	Revenue from Operations	Average Trade Receivables	Times	5.95	5.33	11.63%
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	Times	5.52	6.07	-9.06%
Net capital turnover ratio	Revenue from Operations	Average Working Capital	Times	8.63	16.54	<b>-47.82%</b>
Net profit ratio	Net Profit	Revenue from Operations	Percentage	1.53%	1.47%	4.08%
Return on capital employed	Earning before interest and taxes	Average Capital Employed*	Percentage	22.74%	39.88%	<b>-42.98%</b>
Return on investment	Earnings on Investments	Total Investments	Percentage	8.04%	4.70%	<b>71.06%</b>

(\*) Capital Employed = Total Equity - Intangible assets - Deferred tax assets (Net) + Deferred tax Liabilities (Net) - Goodwill - Non Current assets (Net) + Current tax Liabilities (Net)

**Reasons for more than 25% variance :**

- 1. Current Ratio :** During the financial year 2022-23, Company's current assets has been increased substantially as compared to previous year due to which its Current Ratio has been increased.
  - 2. Debt Equity Ratio :** During the financial year 2022-23, Company's has raised Fresh Equity through SME IPO at the end of March 2023 due to which its Equity has been increased, resulting into decrease in Debt Equity Ratio as compared to previous year.
  - 3. Return on Equity Ratio :** During the financial year 2022-23, Company's Profit margins as well as the Capital has been increase substantially as compared to previous year due to which its Return on Equity Ratio has been improved.
  - 4. Net Capital Turnover Ratio :** During the financial year 2022-23, Sales turnover of the Company increased substantially as compared to previous year as a consequence of this decrease in net capital turnover ratio.
  - 5. Return on Capital Employed :** During the financial year 2022-23, Company's Capital has increased substantially as compared to previous year as a consequence of this decrease in Return on Capital Employed ratio.
  - 6. Return on Investment Ratio :** During the financial year 2022-23, Company's investments in Fixed deposits has been increased as compared to previous year due to return on investment ratio has been increased substantially.
- 29** The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 30** The Company has not made any wilful default from any of its lenders during the year. Hence, the Company is not classified as Willful Defaulter.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note no 31 : Related Party Disclosure

#### Details of Related Parties

(A) Related parties and transactions with them during the year as identified by the Management are given below:

#### i) Subsidiary Company

Sudarshan Pharma Lifesciences Pvt Ltd (previously named as Sudarshan RJMS Healthcare Pvt Ltd) (SPLPL)

#### ii) Key Management Personnels (KMP)

Hemal Mehta (HM)	- Chairman & Managing Director
Sachin Mehta (SM)	- Joint Managing Director
Rajesh Haedao (RH)	- Independent Director
Umesh Luthra (UL)	- Independent Director
Nutan Singh (NS)	- Independent Director till 26.12.2022
Jaya Sharma (JS)	- Independent Director w.e.f 26.12.2022
Geeta Amesar (GA)	- Company Secretary till 03.12.2022
Ishita Samani (IS)	- Company Secretary w.e.f 17.12.2022
Dharam Jilka (DJ)	- Chief Financial Officer

#### iii) Enterprises over which persons mentioned in (ii) above exercise significant influence

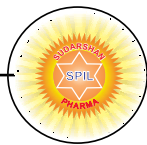
Sachin Chemicals (SC)  
Sudarshan Solvent Industries Limited (SSIL)  
Sudarshan Chempharma India LLP (SCLLP)  
Magicremedi Pvt Ltd (MGPL)  
Upstream Refinery LLP (URLLP)  
Sachin Chemsolve Industry Pvt Ltd (SCIPL)

#### Details of transactions carried out with Related Parties

( ₹ in Lakhs)

PARTICULARS	KEY MANAGEMENT PERSONNEL		SUBSIDIARY COMPANY		Enterprises over which persons mentioned in (ii) above exercise significant influence / Other Related Parties Where Common Control Exists		TOTAL	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>Investment in Equity Shares</b>								
SPLPL	-	-	-	4.90	-	-	-	4.90
<b>Total</b>	-	-	-	<b>4.90</b>	-	-	-	<b>4.90</b>
<b>Issue of Equity Shares</b>								
MGPL	-	-	-	-	455.00	-	455.00	-
<b>Total</b>	-	-	-	-	<b>455.00</b>	-	<b>455.00</b>	-
<b>Unsecured Loan Received</b>								
HM	39.05	317.00	-	-	-	-	39.05	317.00
SM	130.00	383.56	-	-	-	-	130.00	383.56
SSIL	-	-	-	-	15.01	30.00	15.01	30.00
MGPL	-	-	-	-	456.50	-	456.50	-
<b>Total</b>	<b>169.05</b>	<b>700.55</b>	-	-	<b>471.51</b>	<b>30.00</b>	<b>640.56</b>	<b>730.55</b>
<b>Unsecured Loan Repaid</b>								
HM	39.05	317.00	-	-	-	-	39.05	317.00
SM	130.00	386.11	-	-	-	-	130.00	386.11
SSIL	-	-	-	-	15.01	30.00	15.01	30.00
MGPL#	-	-	-	-	456.50	-	456.50	-
<b>Total</b>	<b>169.05</b>	<b>703.11</b>	-	-	<b>471.51</b>	<b>30.00</b>	<b>640.56</b>	<b>733.11</b>





**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023**

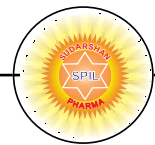
**Details of transactions carried out with Related Parties**

**( ₹ in Lakhs)**

PARTICULARS	KEY MANAGEMENT PERSONNEL		SUBSIDIARY COMPANY		Enterprises over which persons mentioned in (ii) above exercise significant influence / Other Related Parties Where Common Control Exists		TOTAL	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>Deposits Given received back</b>								
HM	-	250.00	-	-	-	-	-	250.00
SM	-	200.00	-	-	-	-	-	200.00
SCIPL	-	-	-	-	100.00	-	100.00	-
<b>Total</b>	<b>-</b>	<b>450.00</b>	<b>-</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>450.00</b>
<b>Sales of Goods</b>								
SC	-	-	-	-	383.57	466.19	383.57	466.19
SSIL	-	-	-	-	-	0.04	-	0.04
URSLLP	-	-	-	-	697.78	-	697.78	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,081.35</b>	<b>466.23</b>	<b>1,081.35</b>	<b>466.23</b>
<b>Purchase of Goods</b>								
SC	-	-	-	-	308.94	197.57	308.94	197.57
SCLLP	-	-	-	-	-	-	-	-
SSIL	-	-	-	-	208.63	15.02	208.63	15.02
MGPL	-	-	-	-	56.87	-	56.87	-
URSLLP	-	-	-	-	48.92	-	48.92	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>623.36</b>	<b>212.59</b>	<b>623.36</b>	<b>212.59</b>
<b>Rent Paid</b>								
HM	10.50	10.50	-	-	-	-	10.50	10.50
SM	14.70	14.70	-	-	-	-	14.70	14.70
SCLLP	-	-	-	-	18.00	18.00	18.00	18.00
<b>Total</b>	<b>25.20</b>	<b>25.20</b>	<b>-</b>	<b>-</b>	<b>18.00</b>	<b>18.00</b>	<b>43.20</b>	<b>43.20</b>
<b>Director Remuneration</b>								
HM	45.00	37.50	-	-	-	-	45.00	37.50
SM	45.00	37.50	-	-	-	-	45.00	37.50
<b>Total</b>	<b>90.00</b>	<b>75.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90.00</b>	<b>75.00</b>
<b>Professional Fees</b>								
DJ	0.90	-	-	-	-	-	0.90	-
<b>Total</b>	<b>0.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.90</b>	<b>-</b>
<b>Salaries</b>								
GA	1.86	1.16	-	-	-	-	1.86	1.16
IS	2.37	-	-	-	-	-	2.37	-
<b>Total</b>	<b>4.23</b>	<b>1.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.23</b>	<b>1.16</b>
<b>Outstanding as on 31st March</b>								
<b>Trade &amp; Other Receivable</b>								
HM	-	12.63	-	-	-	-	-	12.63
SC	-	-	-	-	-	0.01	-	0.01
URSLLP	-	-	-	-	204.67	-	204.67	-
<b>Total</b>	<b>-</b>	<b>12.63</b>	<b>-</b>	<b>-</b>	<b>204.67</b>	<b>0.01</b>	<b>204.67</b>	<b>12.64</b>
<b>Deposits given</b>								
HM	-	-	-	-	-	-	-	-
SC	-	-	-	-	-	-	-	-
SCIPL	-	-	-	-	100.00	-	100.00	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>

\* Transactions are of non-monetary consideration.

MGPL# : Loan repaid to Magicremedi Pvt Ltd, is actually Conversion of Loan into Equity Share Capital, being 3,50,000/- shares issued at ₹ 130/- per share each. (₹ 120 share premium)



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023**

**Note no. 32 Trade payable ageing schedule**

(₹ in Lakhs)

**Outstanding for following periods from due date of payment (2022-23)**

S.no	Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
32.01	MSME	1,094.92	-	-	-	1,094.92
32.02	Others	8,093.99	-	-	-	8,093.99
32.03	Disputed dues-MSME	-	-	-	-	-
32.04	Disputed dues-Other	-	-	-	-	-
	<b>Total</b>	<b>9,188.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,188.91</b>

(₹ in Lakhs)

**Outstanding for following periods from due date of payment (2021-22)**

S.no	Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
32.11	MSME	307.27	-	-	-	307.27
32.12	Others	7,052.27	-	15.56	-	7,067.83
32.13	Disputed dues-MSME	-	-	-	-	-
32.14	Disputed dues-Other	-	-	-	-	-
	<b>Total</b>	<b>7,359.53</b>	<b>-</b>	<b>15.56</b>	<b>-</b>	<b>7,375.09</b>

**Note no. 33 Trade receivable ageing schedule**

(₹ in Lakhs)

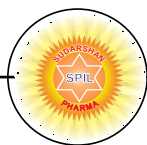
**Outstanding for following periods from due date of payment (2022-23)**

S.no	Particulars	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
33.01	Undisputed - considered good	7,674.11	158.74	192.95	46.47	33.60	<b>8,105.86</b>
33.02	Undisputed - considered doubtful	-	-	-	-	-	-
33.03	Disputed - considered good	-	-	-	-	45.07	<b>45.07</b>
33.04	Disputed - Credit Impaired	-	-	-	-	-	-
	<b>Total</b>	<b>7,674.11</b>	<b>158.74</b>	<b>192.95</b>	<b>46.47</b>	<b>78.66</b>	<b>8,150.93</b>

(₹ in Lakhs)

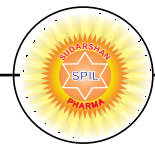
**Outstanding for following periods from due date of payment (2021-22)**

S.no	Particulars	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
33.11	Undisputed - considered good	6,995.81	113.28	105.89	19.04	68.58	<b>7,302.60</b>
33.12	Undisputed - considered doubtful	-	-	-	-	-	-
33.13	Disputed - considered good	-	-	-	-	45.07	<b>45.07</b>
33.14	Disputed - Credit Impaired	-	-	-	-	-	-
	<b>Total</b>	<b>6,995.81</b>	<b>113.28</b>	<b>105.89</b>	<b>19.04</b>	<b>113.65</b>	<b>7,347.67</b>



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

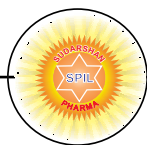
<b>34</b>	<b>Disclosure required under Accounting Standard - 15 (revised 2005) for “Employee Benefits” are as under:</b>				
	The Company has recognized the expected liability arising out of the compensated absence and gratuity as at 31 <sup>st</sup> March, 2022 based on actuarial valuation carried out using the Projected Unit Credit Method.				
	The below disclosure have been obtained from independent actuary. The other disclosures are made in accordance with AS - 15 (revised) pertaining to the Defined Benefit Plan is as given below :				
	<b>Particulars</b>	<b>Gratuity</b>		<b>Leave Encashment</b>	
		<b>Unfunded</b>		<b>Unfunded</b>	
		<b>2022-23</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2021-22</b>
a	<b>Assumptions :</b>				
	Discount Rate	7.35%	6.41%	7.35%	6.41%
	Salary Escalation	6.00%	6.00%	6.00%	6.00%
	Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
	Retirement	58 Yrs	58 Yrs	58 Yrs	58 Yrs
b	<b>Changes in present value of obligations:</b>				
	Present value of obligations as at beginning of year	3.14	1.83	1.33	0.88
	Interest Cost	0.20	0.11	(0.26)	0.45
	Current Service Cost	1.15	0.92	-	-
	Liability Transfer out	-	-	-	-
	Benefit Paid	-	-	-	-
	Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	(0.00)	-	-
	Actuarial (Gain) / Loss on obligations - Due to Change in Financial Assumptions	(0.67)	(0.16)	-	-
	Actuarial (Gain) / Loss on obligations - Due to Change in Experience	1.77	0.43	-	-
	Present value of obligations as at end of year	5.59	3.14	1.07	1.33
c	<b>Changes in the fair value of plan assets</b>				
	Fair value of plan assets at beginning of year	-	-	-	-
	Expected return on plan assets	-	-	-	-
	Contributions	-	-	-	-
	Transfer to Other Group	-	-	-	-
	Benefits paid	-	-	-	-
	Actuarial Gain / (Loss) on Plan assets	-	-	-	-
	Fair value of plan assets at the end of year	-	-	-	-



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023**

	Particulars	Gratuity		Leave Encashment	
		Unfunded		Unfunded	
		2022-23	2021-22	2022-23	2021-22
d	<b>Actuarial Gain/Loss recognized</b>				
	Actuarial (gain)/Loss for the year - Obligation	1.11	0.27	-	-
	Actuarial (gain)/Loss for the year - plan assets	-	-	-	-
	Total (gain)/Loss for the year	1.11	0.27	-	-
	Actuarial (gain)/Loss recognized in the year	1.11	0.27	-	-
e	<b>Amount recognized in the Balance Sheet :</b>				
	Liability at the end of the year	5.59	3.14	1.07	1.33
	Fair value of Plant Assets at the end of the year	-	-	-	-
	Difference	(5.59)	(3.14)	(1.07)	(1.33)
	Amount recognized in the Balance Sheet	(5.59)	(3.14)	(1.07)	(1.33)
f	<b>Expenses recognized in the Profit and Loss Account:</b>				
	Current Service Cost	1.15	0.92	-	-
	Interest Cost	0.20	0.11	-	-
	Expected return on Plant assets	-	-	-	-
	Past Service Cost (non-vested benefit) recognized	-	-	-	-
	Past Service Cost (vested benefit) recognized	-	-	-	-
	Recognition of Transition Liability	-	-	-	-
	Actuarial (Gain) or Loss	1.11	0.27	-	-
	Expenses recognized in the Profit and Loss Account	2.46	1.31	-	-
g	<b>Balance Sheet Reconciliation :</b>				
	Opening Liability	3.14	1.83	1.33	0.88
	Funded Assets Taken by Other Company	-	-	-	-
	Expenses as above	2.46	1.31	(0.26)	0.45
	Employer's Contribution	-	-	-	-
	Closing Net Liability	5.59	3.14	1.07	1.33
h	<b>Data</b>	-	-	-	-
	No of Employees	56	43	56	43
	Avg. Salary of Employees Per Month	10.28	7.60	10.28	7.60

i	<b>Leave Obligation:</b>
	The leave obligation cover the company's liability for earned leave.
	The amount of the provision of ₹ 1.07 Lakh (31 <sup>st</sup> March, 2022 ₹ 1.33 lakh) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### 35 Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956

#### Transactions in Foreign Currency :

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Expenditure</b>		
Import of Traded Goods	2,022.85	439.84
<b>Total</b>	<b>2,022.85</b>	<b>439.84</b>
<b>Income</b>		
Exports of Traded Goods	577.51	311.32
<b>Total</b>	<b>577.51</b>	<b>311.32</b>

### 36 Operating Lease :

The Group has non cancelable operating Lease Expense.:

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Lease Rental paid During the Year	58.14	19.44
<b>Total</b>	<b>58.14</b>	<b>19.44</b>

The future minimum lease expense is as under:

( ₹ in Lakhs)

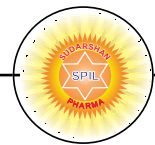
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Upto 1 Year	62.50	41.70
1 Year to 5 Year	148.17	50.10
Above 5 Year	-	-
<b>Total</b>	<b>210.68</b>	<b>91.80</b>

#### Other Terms :

Lease Rentals are charges on the basis of agreed terms. Additional amount of applicable taxes will be paid on these rentals as per the applicable rates existing at the time of payments.

- 37** The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- 38** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall





## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 39** The Company doesn't have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 40** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- 41** In the opinion of the board of directors the current assets, loan & advances are realisable in ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- 42** Net Profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per shares

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a.	Face Value Per Share ( In ₹ )	10	10
b.	Net Profit/(Loss) after tax ( In ₹ )	7,03,98,260	5,25,23,756
c.	Weighted average number of Equity Shares	1,28,50,784	96,13,962
d.	Basic and Diluted Earnings per share	5.48	5.46

### 43 Corporate Social Responsibility / CSR Expenditure :

a) Gross amount required to be spent by the Group during the year 2022-23 is ₹ 8.35 Lakhs. (previous year Nil)

b) Amount paid during the year/period :

( ₹ in Lakhs)

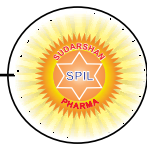
Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	In Cash	Balance to incur	Total	In Cash	Balance to incur	Total
CSR spend	8.35	-	8.35	-	-	-
<b>Total</b>	<b>8.35</b>	<b>-</b>	<b>8.35</b>	<b>-</b>	<b>-</b>	<b>-</b>

- 44** During the year ended 31st March 2023, the Company has come up with Initial Public Offer ("IPO") and proceeds of IPO has been utilised up-to March 2023 as shown in the table below :

Particulars	Amount in ₹ Lakhs
IPO Expenses	829.42
Transferred to UBI Cash Credit A/c (*)	4,180.13
<b>Total IPO Issue Size</b>	<b>5,009.55</b>

(\*) ₹ 4,180.13 Lakhs was transferred to Cash Credit account since the purpose of IPO issue was for Working Capital and General Requirement purpose.

- 45** The Board of Directors have recommended, subject to the approval of the equity shareholders at the ensuring Annual General Meeting, a dividend on equity shares of 3% i.e ₹ 0.30 (Previous Year : Nil) per Equity Share.
- 46** There are no indications of impairment on any individual cash generating assets or on cash generating units in the opinion of management and therefore no test of impairment is carried out.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

- 47** All the known income and expenditure and assets and liabilities have been taken into account and that all the expenditure debited to the profit and loss account have been exclusively incurred for the purpose of the company's business.
- 48** Balance in the accounts of debtors, creditors and advances are subject to confirmation/ reconciliation/ adjustment from the respective parties.
- 49** The loans and advances made by company are unsecured and treated as current assets and not prejudicial to the interest of the company.
- 50** Previous's Year Figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

### As per Report of Even date

#### For NGST & Associates

Chartered Accountants

Firm Registration number : 135159W

#### Twinkal P. Jain

Partner

Membership No.: 156938

**Place :** Mumbai

**Date :** 26<sup>th</sup> May, 2023

#### For Sudarshan Pharma Industries Ltd

**Hemal Vasantrai Mehta**

Managing Director

DIN : 02211121

**Sachin Vasantrai Mehta**

Joint Managing Director

DIN : 02211178

**Ishita Ashok Samani**

Company Secretary

ACS : 67814

**Jaya Ankur Singhania**

Independent Director

DIN: 01990322

**Dharam Vinod Jilka**

Chief Financial Officer

**Umesh Luthra**

Independent Director

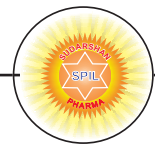
DIN: 06692755

**Rushabh Patil**

Independent Director

DIN: 09779021

**Date :** 26<sup>th</sup> May, 2023



## Independent Auditor's Report

### To the Members of Sudarshan Pharma Industries Limited

### Report on audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Sudarshan Pharma Industries Limited** (“the Company”) and its subsidiary (refer Note (1)) to the attached consolidated financial statements which comprises the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated financial statements, including 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 accounting principles generally accepted in India, of the consolidated state of affairs of the company and its subsidiary as at 31<sup>st</sup> March, 2023, and consolidated total comprehensive income (comprising of profit and comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key audit matters

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

We have nothing to report in this regard.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the “Management Discussion and Analysis” and “Director's Report”, but does not include the consolidated financial statements and our auditor's report thereon.

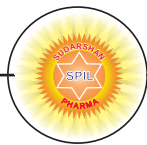
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section



133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

### **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.

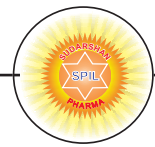
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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.

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 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

The accompanying statement includes the audited financial results and the other financial information, in respect of 1 (one) wholly owned subsidiary companies, whose financial statements reflect total assets of ₹ 10,83,372/- as at 31<sup>st</sup> March, 2023, total revenues of ₹ 0.00/-, Net Loss of ₹ 31,408/- and net cashflow of ₹ 24,008/- for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  1. The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - Refer Note 24 of the consolidated financial statements;
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2023.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

### FOR NGST & ASSOCIATES

Chartered Accountants  
Firm Reg. No 135159W

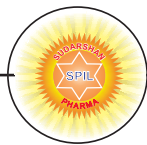
### Twinkal P Jain (Partner)

Membership No. 156938

UDIN- 23156938BGXPLR1201

Place: Mumbai  
Date: 26<sup>th</sup> May 2023





## **ANNEXURE - A TO THE AUDITORS' REPORT**

### **Report on the Internal Financial Controls under Clause (I) of Sub-Section 143 of The Companies Act, 2013 ("The Act")**

We have audited the internal financial controls over financial reporting of Sudarshan Pharma Industries Limited ('the company'), as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the consolidated consolidated financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

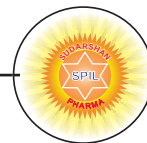
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and



- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

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

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

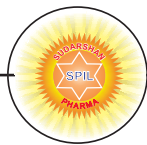
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023 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.

**Place: Mumbai**  
**Date: 26<sup>th</sup> May, 2023**

**FOR NGST & ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No 135159W**

**Twinkal P Jain (Partner)**  
**Membership No. 156938**  
**UDIN - 23156938BGXPLR1201**



## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2023

( ₹ in Lakhs)

PARTICULARS	Note. No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
Share Capital	1	2,406.59	974.90
Reserves and Surplus	2	7,690.74	2,002.63
<b>(2) Non-Current Liabilities</b>			
Long-Term Borrowings	3	1,278.83	493.97
Long Term Provisions	4	5.94	4.17
Deferred Tax Liabilities (Net)	5	18.02	14.05
<b>(3) Current Liabilities</b>			
Short-Term Borrowings	6	2,131.55	2,565.26
Trade Payables	7		
-total outstanding dues of MSME		1,094.92	307.27
-total outstanding dues of creditors other than MSME		8,093.99	7,067.83
Other Current Liabilities	8	456.30	283.05
Short Term Provisions	9	70.91	39.05
<b>Total Equity &amp; Liabilities</b>		<b>23,247.80</b>	<b>13,752.18</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
Property, Plant and Equipments and Intangible Assets	10		
(i) Property, Plant and Equipment		1,899.08	634.88
(ii) Intangible Assets		89.67	11.90
(iii) Capital Work in Progress		1.18	53.56
		<b>1,989.93</b>	<b>700.35</b>
Non-Current Investments	11	1,234.14	0.22
Long Term Loans and Advances	12	161.57	93.62
<b>(2) Current Assets</b>			
Inventories		7,456.79	4,686.99
Trade Receivables	13	8,150.93	7,347.67
Cash and Cash Equivalents	14	1,171.85	23.60
Other Current Assets	15	3,082.60	899.74
<b>Total Assets</b>		<b>23,247.80</b>	<b>13,752.18</b>

Significant Accounting Policies and Notes to the Consolidated 1-50 Financial Statements

### As per Report of Even date

#### For NGST & Associates

Chartered Accountants

Firm Registration number : 135159W

#### Twinkal P. Jain

Partner

Membership No.: 156938

#### For Sudarshan Pharma Industries Ltd

#### Hemal Vasantrai Mehta

Managing Director

DIN : 02211121

#### Sachin Vasantrai Mehta

Joint Managing Director

DIN : 02211178

#### Ishita Ashok Samani

Company Secretary

ACS : 67814

#### Jaya Ankur Singhania

Independent Director

DIN: 01990322

#### Dharam Vinod Jilka

Chief Financial Officer

#### Umesh Luthra

Independent Director

DIN: 06692755

#### Rushabh Patil

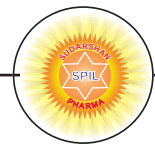
Independent Director

DIN: 09779021

Place : Mumbai

Date : 26<sup>th</sup> May, 2023

Date : 26<sup>th</sup> May, 2023



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(₹ in Lakhs)

PARTICULARS	Note. No.	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
Revenue from Operations	16	46,133.19	35,709.46
Other Income	17	111.71	46.43
<b>Total Income (I)</b>		<b>46,244.90</b>	<b>35,755.89</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	18	32.27	-
Purchase of Stock-in-Trade		45,724.89	35,801.38
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(2,662.46)	(2,290.57)
Employee Benefit Expenses	20	297.51	243.02
Finance Costs	21	540.23	337.90
Depreciation and Amortization Expenses	22	90.71	86.59
Other Expenses	23	1,272.12	864.01
<b>Total Expenses (II)</b>		<b>45,295.28</b>	<b>35,042.33</b>
<b>Profit before exceptional and extraordinary items and tax</b>	(I - II)	<b>949.62</b>	<b>713.56</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>949.62</b>	<b>713.56</b>
Extraordinary items		-	-
<b>Profit before tax</b>		<b>949.62</b>	<b>713.56</b>
<b>Tax expense:</b>			
(a) Current tax		241.98	188.33
(b) Deferred tax		3.97	0.37
<b>Total Tax Expense</b>		<b>245.95</b>	<b>188.70</b>
Profit/(Loss) for the period (before adjustment)		<b>703.67</b>	<b>524.86</b>
Add : Share of Minority Interest		-	(0.07)
Profit/(Loss) for the year		<b>703.67</b>	<b>524.79</b>
Earning per equity share:	42		
Basic EPS		5.48	5.46
Diluted EPS		5.48	5.46

Significant Accounting Policies and Notes to the Consolidated Financial Statements 1-50

### As per Report of Even date

#### For NGST & Associates

Chartered Accountants

Firm Registration number : 135159W

#### Twinkal P. Jain

Partner

Membership No.: 156938

#### For Sudarshan Pharma Industries Ltd

#### Hemal Vasantrai Mehta

Sachin Vasantrai Mehta

Ishita Ashok Samani

Jaya Ankur Singhania

Dharam Vinod Jilka

Umesh Luthra

Rushabh Patil

Managing Director

Joint Managing Director

Company Secretary

Independent Director

Chief Financial Officer

Independent Director

Independent Director

DIN : 02211121

DIN : 02211178

ACS : 67814

DIN: 01990322

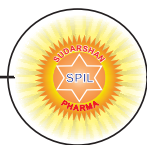
DIN: 06692755

DIN: 09779021

Place : Mumbai

Date : 26<sup>th</sup> May, 2023

Date : 26<sup>th</sup> May, 2023

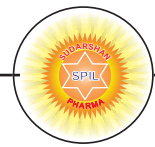


## CONSOLIDATED CASH FLOWS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

( ₹ in Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. Cash Flows From Operating Activities</b>		
Net Profit before Tax	949.62	713.56
<b>Adjustments for:</b>		
Depreciation and Amortization Expenses	90.71	86.59
Interest & Finance charges	540.23	337.90
Interest Income	(48.98)	(19.90)
<b>Operating Cash Generated Before Working Capital Changes</b>	<b>1,531.59</b>	<b>1,118.15</b>
(Increase) / Decrease in Inventory	(2,769.80)	(2,290.57)
(Increase)/ Decrease in Trade Receivables	(803.26)	(1,308.25)
(Increase)/Decrease in Other Current Assets	(2,182.86)	(696.72)
Increase/(Decrease) in Short Term Borrowings	(433.71)	(38.18)
Increase/(Decrease) in Trade Payables	1,813.82	2,953.32
Increase/(Decrease) in Other Liabilities	173.26	55.70
Increase / (Decrease) in Short Term Provisions	0.48	(0.50)
Increase / (Decrease) in Long Term Provisions	1.77	1.66
<b>Net Changes in Working Capital</b>	<b>(4,200.31)</b>	<b>(1,323.53)</b>
Less : Tax expense	210.59	176.83
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(2,879.32)</b>	<b>(382.21)</b>
<b>B. Cash Flows From Investing Activities</b>		
Sale / (Purchase) of Fixed Assets (Net)	(1,432.68)	(112.08)
Sale / (Purchase) of Non Current Investments (Net)	(1,233.93)	-
(Increase) / Decrease in Capital Work in Progress	52.39	(53.56)
Interest Income	48.98	19.90
<b>Net Cash Generated From Investing Activities (B)</b>	<b>(2,565.24)</b>	<b>(145.74)</b>





## CONSOLIDATED CASH FLOWS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

( ₹ in Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>C. Cash Flow From Financing Activities</b>		
Increase / (Decrease) in Share Capital	6,416.13	201.93
Amount received from Minority Interest	-	(4.83)
Proceeds / (Repayment) of Long Term Borrowings	784.86	120.32
Decrease / (Increase) in Long Term Loans & Advances	(67.95)	446.54
Interest Expenses	(540.23)	(337.90)
<b>Net Cash from Financing Activities [C]</b>	<b>6,592.81</b>	<b>426.06</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>1,148.25</b>	<b>(101.89)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>23.60</b>	<b>125.49</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1,171.85</b>	<b>23.60</b>
<b>Debt reconciliation statement</b>		
<b>Long Term Borrowings</b>		
Opening Balance	493.97	532.09
Proceeds/(Repayments) from borrowings (net)	784.86	120.32
Closing Balance	<b>1,278.83</b>	<b>493.97</b>
<b>Short Term Borrowings</b>		
Opening Balance	2,565.26	2,445.00
Proceeds/(Repayments) from borrowings (net)	(433.71)	(39.18)
Closing Balance	<b>2,131.55</b>	<b>2,565.26</b>

### As per Report of Even date

#### For NGST & Associates

Chartered Accountants

Firm Registration number : 135159W

#### Twinkal P. Jain

Partner

Membership No.: 156938

#### For Sudarshan Pharma Industries Ltd

#### Hemal Vasantrai Mehta

Sachin Vasantrai Mehta

Ishita Ashok Samani

Jaya Ankur Singhania

Dharam Vinod Jilka

Umesh Luthra

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Managing Director

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Independent Director

Independent Director

DIN : 02211121

DIN : 02211178

ACS : 67814

DIN: 01990322

DIN: 06692755

DIN: 09779021

Place : Mumbai

Date : 26<sup>th</sup> May, 2023

Date : 26<sup>th</sup> May, 2023



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Corporate Information

Sudarshan Pharma Industries Limited ("the Group") was incorporated on 23<sup>rd</sup> July, 2008 as public limited Group, under the Companies Act, 2013 having CIN: U51496MH2008PLC184997 listed in BSE SME and having its registered office at 301, Aura Biplax, Premium Retail Premises, 7, S. V. Road, Borivali (West), Mumbai - 400 092. The Group is engaged in jobwork manufacturing in Pharmaceutical Items and traders in Chemicals and Solvents in India. The Group operates in the State of Maharashtra, Gujarat Himachal Pradesh and Uttarakhand.

### Statement of Significant Accounting Policies

#### a. **Basis of Preparation of Financial Statements**

The financial statements of the Group have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013 ('the Act'), read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. All the amounts disclosed in the financial statements and notes are presented in Indian rupees have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless otherwise stated. The amount '0.00' denotes amount less than Rupees Five Hundred.

#### b. **Principles of Consolidation**

The Consolidated Financial Statements related to Sudarshan Pharma Industries Limited ('the Company') and its subsidiary companies have been prepared on following basis:

- i) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- ii) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of the disposal is recognized in the consolidated statement of Profit and Loss.
- iii) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- iv) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.
- v) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

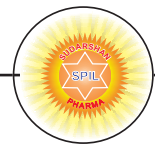
#### c. **Use of Estimates**

The preparation of the financial statement in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustments to the carrying amounts of assets or liabilities in future periods.

#### d. **Revenue Recognition**

- i Revenue from Sale of Goods:

Revenue from sales of goods is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### ii. **Revenue from Sale of Services:**

Revenue is measured at the fair value of the consideration received or receivable for services rendered, net of discounts to customers excluding taxes or duties collected on behalf of the government.

### iii **Interest Income :**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### e. **Property, Plant & Equipments**

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Finance cost relates to acquisition of fixed assets are included to the extent they relate to the period till such assets are ready to be put to intended use. In the case of new projects successfully implemented, substantial expansion of existing units and expenditure resulting into enduring benefit, all pre-operative expenses including depreciation and interest on borrowings for the project, incurred up to the date of installation are capitalized and added pro-rata to the Cost of related Fixed Assets of project.

#### **Intangible Assets**

Intangible assets are stated at cost of acquisition less accumulated depreciation/amortisation.

#### **Capital Work-In-Progress**

Expenses incurred for acquisition of Capital Assets outstanding at each balance sheet date are disclosed under Capital Work-in-Progress. Advances given towards the acquisition of Fixed Assets are shown separately as Capital advances under head long term loans & advances.

### f. **Depreciation**

The Group has revised its policy of providing depreciation on tangible fixed assets with effect from April 1, 2014. Depreciation is now provided on a straight line basis for all assets as against the policy of providing on written down value basis for assets pertaining to other than casino, hospitality and aviation business. Further, the management of the Group has reviewed / determined tangible fixed assets remaining useful lives. Accordingly, the depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act, 2013. Leasehold assets are depreciated on a straight-line basis over the period of lease.

#### **Intangible Assets**

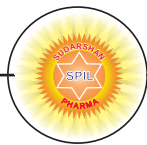
Intangible assets are amortized over estimated useful life on a straight line basis.

### g. **Employee Benefits**

- i) Defined contribution plan: The Group's contributions paid or payable during the year to the provident fund for the employees is recognized as an expense in the Statement of Profit and Loss.
- ii) Defined Benefit Plan: The Group's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and compensated absences are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognized in the statement of Profit and Loss in the period of occurrence of such gains and losses. Sick leaves and casual leaves are not encashable. However, as the same are eligible for carry forward, provision has been made based on Actuarial Valuation report.

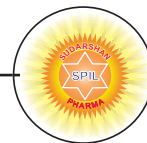
### h. **Foreign Currency Transactions**

- i. Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the statement of profit and loss.
- ii. Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on balance sheet date. The resultant exchange difference is recognized in the statement of profit & loss.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

- iii. Exchange rate differences arising on a monetary item that, in substance, forms part of the Group's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the Group's financial statements until the disposal of the net investment.
- iv. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.
- i. **Borrowing Costs**
- Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that necessarily takes a substantial Year of time for its intended use) are capitalized. Other borrowing costs are recognized as expenses in the period in which same are incurred.
- j. **Taxation**
- Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the year.
- i. Current Tax
- The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Group.
- ii. Deferred Tax
- Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the Year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.
- k. **Investments :**
- Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long term investments, are stated at the lower of cost and fair value
- l. **Inventories :**
- Inventories have been taken as valued and certified by the Management. The basis of valuation is as under: Raw materials, Stores & Spares - at cost or net realizable value whichever is lower. Finished goods and traded goods - at cost or net realizable value on FIFO basis whichever is lower.
- m. **Provisions, contingent Liabilities and contingent assets:**
- Provisions are recognised when the Group has an obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the best estimate of expenditure, that is required to settle the present obligation at the balance sheet date and are not discounted to its present value.
- Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- Contingent assets are not recognized or disclosed in the financial statements.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

o. **Operating Leases**

Lease contracts that do not transfer substantially all the risks and benefits of ownership of the assets to the Group are classified as operating leases. Where lease rentals are so structured that the rental outflow is higher in the later periods of lease term, such lease rentals are recognised in the statement of profit and loss on a straight line basis over the lease term. Other operating leases are recognised in the statement of profit and loss as per the terms of the lease contract.

p. **Segment Reporting**

The Group has only one business segment and geographical segment. Therefore there is no separate reportable segment as per AS-17.

q. **Earning Per Share**

Basic Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (Consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

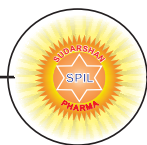
r. **Impairment of Assets**

The Group evaluates all its assets for assessing any impairment and accordingly recognizes the impairment, wherever applicable, as provided in Accounting Standard 28, "Impairment of Assets".

s. **Miscellaneous Expenditures**

Miscellaneous Expenditures are fully charged off in the year in which they are incurred.





## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 1 Share Capital

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number of Shares	Amount in Lakhs	Number of Shares	Amount in Lakhs
<b>AUTHORIZED CAPITAL</b> 2,50,00,000 Equity Shares of ₹ 10/- each. ( Previous year 1,29,99,999 Equity Shares of ₹ 10/- each.)	2,50,00,000	2,500.00	1,29,99,999	1,300.00
	2,50,00,000	2,500.00	1,29,99,999	1,300.00
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 2,40,65,887 Equity Shares of ₹ 10/- each, Fully Paid Up ( Previous year 97,48,998 Equity Shares of ₹ 10/- each.)	2,40,65,887	2,406.59	97,48,998	974.90
<b>Total</b>	<b>2,40,65,887</b>	<b>2,406.59</b>	<b>97,48,998</b>	<b>974.90</b>

### Note No. 1(a) The Reconciliation of the No. of Shares outstanding at the beginning and at the end of the year

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	Number of Shares	Amount in Lakhs	Number of Shares	Amount in Lakhs
<b>Equity Shares:</b>				
Shares outstanding at the beginning of the year	97,48,998	974.90	95,46,998	954.70
Bonus Shares Issued during the year	57,34,489	573.45	-	-
Fresh Shares Issued during the year	85,82,400	858.24	2,02,000	20.20
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>2,40,65,887</b>	<b>2,406.59</b>	<b>97,48,998</b>	<b>974.90</b>

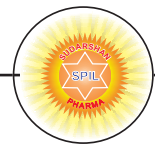
### Note No. 1(b) Right, Preferences and Restriction attached to Shares

#### Equity Shares

The company has only one class of Equity having a par value ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend is proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of the interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in portion to their shareholding.

### Note No. 1 (c) Shares held by each shareholder holding more than 5% of shares

Name of Shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sachin Vasantrai Mehta	66,20,547	27.51%	44,13,698	45.27%
Hemal Vasantrai Mehta	64,02,102	26.60%	42,68,068	43.78%



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note No. 1 (d) Shareholding of Promoters & % of change during the year

Name of the Promoter group	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	No. of Shares held	% of total shares	% Change	No. of Shares held	% of total shares	% Change
<b>Equity shares with voting rights</b>						
Hemal Vasantrai Mehta	64,02,102	26.60%	50.00%	42,68,068	43.78%	0.76%
Sachin Vasantrai Mehta	66,20,547	27.51%	50.00%	44,13,698	45.27%	7.75%
Devangi Hemal Mehta	2,29,407	0.95%	50.00%	1,52,938	1.57%	0.00%
Sachin V Mehta HUF	1,64,512	0.68%	50.00%	1,09,675	1.12%	0.00%
Hemal V Mehta HUF	1,64,512	0.68%	50.00%	1,09,675	1.12%	0.00%
Namrata Sachin Mehta	1,64,512	0.68%	50.00%	1,09,675	1.12%	0.00%
Vasantray Ratilal Mehta	32,872	0.14%	50.00%	21,915	0.22%	0.00%
Indumati V Mehta	16,447	0.07%	50.00%	10,965	0.11%	0.00%
Jatin Vasantrai Mehta	16,447	0.07%	50.00%	10,965	0.11%	0.00%
<b>Total</b>	<b>1,38,11,358</b>	<b>57.39%</b>	<b>50.00%</b>	<b>92,07,574</b>	<b>94.45%</b>	<b>3.95%</b>

**Note No. 1 (e) :** During the year, the Company has issue 13,70,000 shares through private placement on 30<sup>th</sup> September, 2022.

**Note No. 1 (f) :** During the year, the Company has issue 3,50,000 shares through private placement by way of conversion of loan into Equity shares on 07<sup>th</sup> October, 2022.

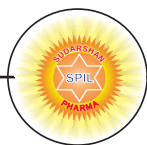
**Note No. 1 (g) :** During the year, on 21<sup>st</sup> November, 2022, the company has issued 57,34,489 Equity Shares as Bonus Shares in the ratio 2 : 1 to the existing shareholders of the company by capitalisation of Reserves of the Company.

**Note No. 1 (f) :** During the year, on 22<sup>nd</sup> March, 2023, the company has issued 68,62,400 Equity Shares under SME IPO, which got listed on the BSE on 22<sup>nd</sup> March, 2023 having BSE Scrip Code 543828. The transaction costs pertaining to the issue have been debited to the share premium account.

### Note : 2 Reserves and Surplus

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Surplus (Profit &amp; Loss Account)</b>		
Balance brought forward from previous year	1,206.05	681.26
Add: Profit for the year	703.67	524.79
	1,909.72	1,206.05
<b>Share Premium</b>		
Balance brought forward from previous year	796.58	614.78
Add: Additional shares issued during the year	6,387.31	181.80
Less : Utilised for Bonus shares issued during the year	(573.45)	-
Less : Share Issue Expenses incurred during the year	(829.42)	-
	5,781.02	796.58
<b>TOTAL</b>	<b>7,690.74</b>	<b>2,002.63</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 3 Long Term Borrowings

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Secured Loans</b>		
Term Loans from Banks	1,462.53	526.55
Less : Current Maturities of long term debt	(284.84)	(118.63)
	<b>1,177.70</b>	<b>407.92</b>
<b>Unsecured Loans</b>		
Term Loans from Banks & NBFC's	112.61	173.45
Less : Current Maturities of long term debt	(11.47)	(87.40)
	<b>101.13</b>	<b>86.05</b>
<b>Total</b>	<b>1,278.83</b>	<b>493.97</b>

#### Note 3.1 : From Bank 1

Long Term loans Outstanding balance as at balance sheet date carry interest @7.50% to @12.90% p.a. is repayable over a period of 24 to 48 months in varying monthly installments, is secured by second charge by way of hypothecation of movable fixed assets and current assets of the company on pari passu basis with banks along with personal guarantee given Promoter Directors of the company.

#### Note 3.2 : From Bank 2

Long Term loans Outstanding balance as at balance sheet date carry interest @8.50% to @9.00% p.a. is repayable over a period of 24 to 60 months in varying monthly installments is secured by second charge on entire current assets and Movable Fixed Assets of the Company, both present and future on pari passu basis with banks along with personal guarantee given Promoter Directors of the company.

#### Note 3.3 : From Bank 3

Long Term loans Outstanding balance as at balance sheet date carry interest @8.50% p.a. is repayable over a period of 96 months in varying monthly installments, is secured by exclusive charge on immovable property owned by Promoters Directors along with second charge on entire current assets and Movable Fixed Assets of the Company, both present and future on pari passu basis with banks along with personal guarantee given Promoter Directors of the company.

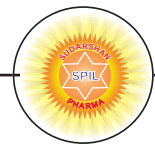
#### Note 3.4 : Terms Loans from Banks & NBFC's

Unsecured Business loans from various Banks/Financial Institutions for a tenure of 36 months with rate of interests ranging from 16% to 20% per annum from various Banks and NBFC's.

### Note : 4 Long Term Provisions

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Provision for Employee Benefits (Unfunded)		
Gratuity	5.04	3.10
Leave Encashment	0.90	1.07
<b>Total</b>	<b>5.94</b>	<b>4.17</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 5 Deferred Tax Liabilities (Net)

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<u>Deferred Tax Liabilities :</u>		
Property, Plant and Equipment	21.03	14.05
<b>(A)</b>	<b>21.03</b>	<b>14.05</b>
<u>Deferred Tax Assets :</u>		
Provision for Carried Forward Loss	2.45	-
Provision for Employee Benefits	0.55	-
<b>(B)</b>	<b>3.00</b>	<b>-</b>
<b>Net Deferred Tax Liabilities / (Assets) ( A - B)</b>	<b>18.02</b>	<b>14.05</b>
<b>Total</b>	<b>18.02</b>	<b>14.05</b>

### Note : 6 Short Term Borrowings

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Secured / Unsecured Loans</b>		
Working Capital Limits with Banks	1,641.36	2,211.07
Unsecured Short Term Loans from NBFC	192.88	147.17
	1,834.24	2,358.23
<u>Current Maturities of long term debt</u>		
-for Secured Term Loans taken from Banks	284.84	118.63
-for Unsecured Term Loans taken from Banks & NBFC's	11.47	87.40
	296.31	206.03
<u>Loans from Related Parties</u>		
Loans from Directors	1.00	1.00
<b>Total</b>	<b>2,131.55</b>	<b>2,565.26</b>

#### Note 6.1 : Working Capital Facilities from Bank 1

Working Capital Facility of ₹ 2400.00 Lacs from Bank is repayable on demand having rate of interest of EBLR + 3.00% p.a, is secured by way of hypothecation of movable fixed assets and current assets of the company on pari passu basis with Other Banks, along with exclusive charge on immovable property owned by Promoter Directors of the company.

#### Note 6.2 : Working Capital Facilities from Bank 2

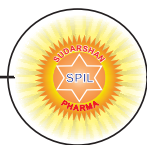
Working Capital Facility of ₹ 1200.00 Lacs from bank is repayable on demand having rate of interest of 8.00% p.a is secured by way of hypothecation of movable fixed assets and current assets of the company on pari passu basis with Other Banks, along with exclusive charge on immovable property owned by Promoter Directors of the company.

#### Note 6.3 : Working Capital Facilities from Bank 3

Working Capital Facility of ₹ 1250.00 Lacs from bank is repayable on demand having rate of interest of 8.50% p.a is secured by way of hypothecation of movable fixed assets and current assets of the company on pari passu basis with other banks, along with exclusive charge on immovable property owned by Promoter Directors of the company.

#### Note 6.4 : Working Capital Facilities from NBFC

Working Capital Demand Loan of ₹ 200.00 Lacs from Tata Capital Financial Services Ltd is repayable on demand having rate of interest of 10.75% p.a is secured by way of Fixed Deposit.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 7 Trade Payables

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Total outstanding dues of MSME	1,094.92	307.27
Total outstanding dues of creditors other than MSME	8,093.99	7,067.83
<b>Total</b>	<b>9,188.91</b>	<b>7,375.09</b>

The Group has certain dues to suppliers registered under as 'micro' and 'small' under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
The principal amount remaining unpaid to any supplier as at the end of accounting year	1,094.92	307.27
The interest due thereon remaining unpaid to any supplier as at the end of accounting year	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 but interest not paid)	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	-	-

### Note : 8 Other Current Liabilities

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance from Customers	134.71	43.16
Creditors for Expenses	141.01	204.72
Duties and Taxes	140.55	27.73
Interest Accrued and Due	2.52	3.64
Other Payables	37.51	3.80
<b>Total</b>	<b>456.30</b>	<b>283.05</b>

### Note : 9 Short Term Provisions

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Provision for Employee Benefits (Unfunded):		
- Gratuity	0.55	0.04
- Leave Encashment	0.17	0.26
Employee Benefit Payable	6.21	6.15
Provision for Income Tax (Net of Taxes paid)	63.99	32.60
<b>Total</b>	<b>70.91</b>	<b>39.05</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023**

**NOTE : 10 PROPERTY, PLANT & EQUIPMENTS**

Particulars	Gross Block			Depreciation			Net Block	
	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2022
Factory Land at Kudus	32.05	-	-	32.05	-	-	32.05	32.05
Factory Land at Mahad	-	118.85	-	118.85	-	-	118.85	-
Factory Land at Talasari	-	896.43	-	896.43	-	-	896.43	-
Factory Premises	147.73	-	-	147.73	4.68	-	163.77	136.04
Furnitures & Fixtures	226.62	53.56	-	280.18	25.95	-	186.19	158.57
Office Equipment	138.61	28.19	(33.53)	133.27	18.67	(19.73)	37.63	99.92
Vehicle	7.26	42.72	-	49.99	3.16	-	6.93	3.50
Computer	57.98	1.10	(27.23)	31.85	12.08	(17.29)	27.52	25.24
Plant & Machinery	198.53	241.06	(13.50)	426.10	15.95	-	34.92	179.56
<b>TOTAL</b>	<b>808.78</b>	<b>1,381.92</b>	<b>(74.26)</b>	<b>2,116.45</b>	<b>80.48</b>	<b>(37.02)</b>	<b>217.37</b>	<b>634.88</b>

**Intangible Assets**

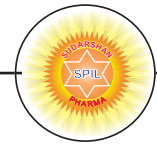
Particulars	Gross Block			Depreciation			Net Block	
	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2022
Software & Web Design	40.51	88.00	-	128.51	10.23	-	38.83	11.90
<b>TOTAL</b>	<b>40.51</b>	<b>88.00</b>	<b>-</b>	<b>128.51</b>	<b>10.23</b>	<b>-</b>	<b>38.83</b>	<b>11.90</b>
<b>Capital Work In Progress</b>								
WORK IN PROGRESS	53.56	1.18	53.56	1.18	-	-	-	53.56
<b>CURRENT YEAR TOTAL</b>	<b>902.85</b>	<b>1,471.10</b>	<b>(20.69)</b>	<b>2,246.13</b>	<b>90.71</b>	<b>(37.02)</b>	<b>256.20</b>	<b>700.35</b>
<b>PREVIOUS YEAR TOTAL</b>	<b>763.68</b>	<b>175.79</b>	<b>36.61</b>	<b>902.85</b>	<b>86.59</b>	<b>26.47</b>	<b>202.51</b>	<b>621.29</b>

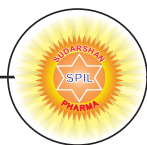
**Ageing schedule for Capital work in progress (CWIP) as on 31st March, 2023**

CWIP	Amount in CWIP for a year of			Total
	Less than 1 year	1-2 years	2-3 years	
Project in progress	1.18	-	-	1.18
Projects temporarily suspended	-	-	-	-

**Ageing schedule for Capital work in progress (CWIP) as on 31st March, 2022**

CWIP	Amount in CWIP for a year of			Total
	Less than 1 year	1-2 years	2-3 years	
Project in progress	53.56	-	-	53.56
Projects temporarily suspended	-	-	-	-





## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 11 Non Current Investments

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Investment In Equity Instruments</b>		
<b>In Others</b>		
Dombivali Nagri Sahakari Bank	0.02	0.02
<b>Other non-current investments</b>		
Investment in Commercial Premises (mortgaged against the credit limits taken from the bank)	1,233.93	-
National Saving Certificate (pledged with Gujarat VAT Department)	0.20	0.20
<b>Total</b>	<b>1,234.14</b>	<b>0.22</b>

### Note : 12 Long Term Loans and Advances

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Security Deposits for Premises	8.17	4.44
Other Security Deposits	50.30	0.41
Other Loans & Advances	103.09	88.78
<b>Total</b>	<b>161.57</b>	<b>93.62</b>

### Note : 13 Trade Receivable

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<u>Unsecured Considered Good</u>		
Due for more than Six Months	476.82	351.86
Others	7,674.11	6,995.81
<b>Total</b>	<b>8,150.93</b>	<b>7,347.67</b>

### Note : 14 Cash and Cash Equivalents

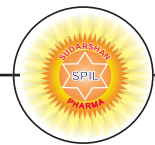
( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<u>Cash and Cash Equivalents</u>		
Cash In Hand	6.07	1.87
Bank Balances	1,165.78	21.73
<b>Total</b>	<b>1,171.85</b>	<b>23.60</b>

### Note : 15 Other Current Assets

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance to Staff	1.24	3.17
Balance with Government authorities	1,277.20	427.75
Fixed Deposits with bank under Lien	608.61	423.68
Inter-Corporate Loans	1,086.89	-
Interest Accrued on Fixed Deposits	26.74	-
Other Receivable	34.30	26.89
Prepaid Expenses	47.61	18.24
<b>Total</b>	<b>3,082.60</b>	<b>899.74</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 16 Revenue from Operations

( ₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Sale of Goods	45,717.77	35,547.44
Sale of Services	415.42	162.02
<b>Total</b>	<b>46,133.19</b>	<b>35,709.46</b>

### Note : 17 Other Business Income

( ₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest Income	48.98	19.90
Foreign Currency Exchange Gain	1.30	1.12
Rental Income	29.33	-
Other Income	32.09	25.41
<b>Total</b>	<b>111.71</b>	<b>46.43</b>

### Note : 18 Cost of Material Consumed

( ₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Opening stock of Raw Materials	-	-
Add : Purchases	139.61	-
Less : Closing Stock of Raw Materials	107.34	-
<b>Total</b>	<b>32.27</b>	<b>-</b>

### Note : 19 Change in Inventories

( ₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Opening Stock	4,686.99	2,396.42
Closing Stock	7,349.45	4,686.99
<b>Total</b>	<b>(2,662.46)</b>	<b>(2,290.57)</b>

### Note : 20 Employment Benefit Expenses

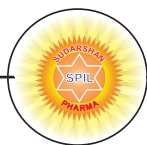
( ₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Salary	195.81	162.20
Contribution to Provident Fund & Others	1.37	1.56
Gratuity Fund and Leave Expenses	2.19	1.76
Staff Welfare Expenses	8.14	2.49
Directors Remuneration	90.00	75.00
<b>Total</b>	<b>297.51</b>	<b>243.02</b>

### Note :21 Finance Costs

( ₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest on Term loans	136.80	101.07
Interest on Working capital loans	287.18	174.75
Other Borrowing costs	116.25	62.09
<b>Total</b>	<b>540.23</b>	<b>337.90</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note : 22 Depreciation & Amortised Cost

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Depreciation	90.71	86.59
<b>Total</b>	<b>90.71</b>	<b>86.59</b>

### Note : 23 Other Expenses

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Operating Expenses</b>		
Clearing and Forwarding charges	294.34	85.36
Factory Expenses	20.40	-
Labour Charges	2.07	-
Loading Unloading Charges	32.18	35.51
Storage & Warehouse Expense	72.18	49.92
Transport Charges	324.58	237.23
Other Direct Cost	66.94	144.31
<b>Sub-total</b>	<b>812.68</b>	<b>552.33</b>
<b>Office, Admin and Selling &amp; Distribution Expenses</b>		
Advertisement expense	0.67	0.38
Auditors Remuneration	5.35	3.40
Business Promotion & Marketing Expenses	62.93	64.79
Commission & Brokerage Expenses	45.72	36.66
Donation & CSR Expenses	20.07	0.11
Insurance	17.19	10.75
Legal & Professional Charges	108.86	54.49
Loss on Sale of Fixed assets	23.74	9.92
Office and Sundry Expenses	23.84	12.10
Postage & Courier	7.52	2.88
Printing & Stationary	9.47	3.96
Rent, Rates & Taxes	90.01	58.16
Repairs and Maintainance	1.33	28.09
Telephone charges	6.73	3.01
Travelling & Conveyance	36.00	22.99
<b>Sub-total</b>	<b>459.43</b>	<b>311.68</b>
<b>Total</b>	<b>1,272.12</b>	<b>864.01</b>

(₹ in Lakhs)

24	Contingent liabilities and commitments (to the extent not provided for)	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
24.1	<b>Contingent liabilities</b>		
	Outstanding Liability of Tax Deducted at Source	3.07	9.26
	<u>Claims against the Group's Disputed Liabilities not Acknowledged as Debts</u>		
	Income tax Liability	17.01	10.02



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

- 25** The title deeds of all the immovable properties held by the Group (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group.
- 26** The Group has not revalued its Property, Plant and Equipment (and Right of Use assets) or intangible assets during the year.
- 27** The Group do not have any transactions with the Struck Off Companies during the year.

**28 Disclosure Regarding analytical ratios:**

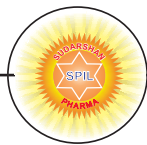
Ratios	Numerator	Denominator	Unit	Year ended		% Variance
				31.03.2023	31.03.2022	
Current Ratio	Current Assets	Current Liabilities	Times	1.68	1.26	<b>33.33%</b>
Debt-equity ratio	Total Debt	Average Shareholder's Equity	Times	0.52	1.17	<b>-55.56%</b>
Debt service coverage ratio	Earnings available for debt service	Debt Service	Times	2.00	1.66	20.48%
Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	Percentage	10.76%	20.07%	<b>-46.39%</b>
Inventory turnover ratio	Cost of goods sold	Average of Inventories	Times	7.10	9.46	-24.95%
Trade receivables turnover ratio	Revenue from Operations	Average Trade Receivables	Times	5.95	5.33	11.63%
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	Times	5.52	6.07	-9.06%
Net capital turnover ratio	Revenue from Operations	Average Working Capital	Times	8.61	16.50	<b>-47.82%</b>
Net profit ratio	Net Profit	Revenue from Operations	Percentage	1.53%	1.47%	4.08%
Return on capital employed	Earning before interest and taxes	Average Capital Employed*	Percentage	22.74%	39.87%	<b>-42.98%</b>
Return on investment	Earnings on Investments	Total Investments	Percentage	8.04%	4.70%	<b>71.06%</b>

(\*) Capital Employed = Total Equity - Intangible assets - Deferred tax assets (Net) + Deferred tax Liabilities (Net) - Goodwill - Non Current assets (Net) + Current tax Liabilities (Net)

**Reasons for more than 25% variance :**

- 1. Current Ratio :** During the financial year 2022-23, Group's current assets has been increased substantially as compared to previous year due to which its Current Ratio has been increased.
  - 2. Debt Equity Ratio :** During the financial year 2022-23, Group's has raised Fresh Equity through SME IPO at the end of March 2023 due to which its Equity has been increased, resulting into decrease in Debt Equity Ratio as compared to previous year.
  - 3. Return on Equity Ratio :** During the financial year 2022-23, Group's Profit margins as well as the Capital has been increase substantially as compared to previous year due to which its Return on Equity Ratio has been improved.
  - 4. Net Capital Turnover Ratio :** During the financial year 2022-23, Sales turnover of the Group increased substantially as compared to previous year as a consequence of this decrease in net capital turnover ratio.
  - 5. Return on Capital Employed :** During the financial year 2022-23, Group's Capital has increased substantially as compared to previous year as a consequence of this decrease in Return on Capital Employed ratio.
  - 6. Return on Investment Ratio :** During the financial year 2022-23, Group's investments in Fixed deposits has been increased as compared to previous year due to return on investment ratio has been increased substantially.
- 29** The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- 30** The Group has not made any wilful default from any of its lenders during the year. Hence, the Group is not classified as Willful Defaulter.





## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note no 31 : Related Party Disclosure

#### Details of Related Parties

(A) Related parties and transactions with them during the year as identified by the Management are given below:

#### i) Key Management Personnels (KMP)

Hemal Mehta (HM)	- Chairman & Managing Director
Sachin Mehta (SM)	- Joint Managing Director
Rajesh Haedao (RH)	- Independent Director
Umesh Luthra (UL)	- Independent Director
Nutan Singh (NS)	- Independent Director till 26.12.2022
Jaya Sharma (JS)	- Independent Director w.e.f 26.12.2022
Geeta Amesar (GA)	- Company Secretary till 03.12.2022
Ishita Samani (IS)	- Company Secretary w.e.f 17.12.2022
Dharam Jilka (DJ)	- Chief Financial Officer

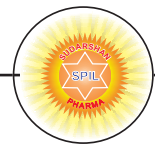
#### ii) Enterprises over which persons mentioned in (i) above exercise significant influence

Sachin Chemicals (SC)
Sudarshan Solvent Industries Limited (SSIL)
Sudarshan Chempharma India LLP (SCLLP)
Magcremedi Pvt Ltd (MGPL)
Upstream Refinery LLP (URLLP)
Sachin Chemsolve Industry Pvt Ltd (SCIPL)

#### Details of transactions carried out with Related Parties

( ₹ in Lakhs)

PARTICULARS	KEY MANAGEMENT PERSONNEL		Enterprises over which persons mentioned in (i) above exercise significant influence / Other Related Parties Where Common Control Exists		TOTAL	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>Issue of Equity Shares</b>						
MGPL	-	-	455.00	-	455.00	-
<b>Total</b>	-	-	<b>455.00</b>	-	<b>455.00</b>	-
<b>Unsecured Loan Received</b>						
HM	39.05	317.00	-	-	39.05	317.00
SM	130.00	383.56	-	-	130.00	383.56
SSIL	-	-	15.01	30.00	15.01	30.00
MGPL	-	-	456.50	-	456.50	-
<b>Total</b>	<b>169.05</b>	<b>700.55</b>	<b>471.51</b>	<b>30.00</b>	<b>640.56</b>	<b>730.55</b>
<b>Unsecured Loan Repaid</b>						
HM	39.05	317.00	-	-	39.05	317.00
SM	130.00	386.11	-	-	130.00	386.11
SSIL	-	-	15.01	30.00	15.01	30.00
MGPL#	-	-	456.50	-	456.50	-
<b>Total</b>	<b>169.05</b>	<b>703.11</b>	<b>471.51</b>	<b>30.00</b>	<b>640.56</b>	<b>733.11</b>
<b>Deposits Given received back</b>						
HM	-	250.00	-	-	-	250.00
SM	-	200.00	-	-	-	200.00
SCIPL	-	-	100.00	-	100.00	-
<b>Total</b>	-	<b>450.00</b>	<b>100.00</b>	-	<b>100.00</b>	<b>450.00</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023**

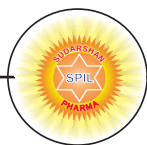
**Details of transactions carried out with Related Parties**

(₹ in Lakhs)

PARTICULARS	KEY MANAGEMENT PERSONNEL		Enterprises over which persons mentioned in (i) above exercise significant influence / Other Related Parties Where Common Control Exists		TOTAL	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>Sales of Goods</b>						
SC	-	-	383.57	466.19	383.57	466.19
SSIL	-	-	-	0.04	-	0.04
URSLLP	-	-	697.78	-	697.78	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,081.35</b>	<b>466.23</b>	<b>1,081.35</b>	<b>466.23</b>
<b>Purchase of Goods</b>						
SC	-	-	308.94	197.57	308.94	197.57
SCLLP	-	-	-	-	-	-
SSIL	-	-	208.63	15.02	208.63	15.02
MGPL	-	-	56.87	-	56.87	-
URSLLP	-	-	48.92	-	48.92	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>623.36</b>	<b>212.59</b>	<b>623.36</b>	<b>212.59</b>
<b>Rent Paid</b>						
HM	10.50	10.50	-	-	10.50	10.50
SM	14.70	14.70	-	-	14.70	14.70
SCLLP	-	-	18.00	18.00	18.00	18.00
<b>Total</b>	<b>25.20</b>	<b>25.20</b>	<b>18.00</b>	<b>18.00</b>	<b>43.20</b>	<b>43.20</b>
<b>Director Remuneration</b>						
HM	45.00	37.50	-	-	45.00	37.50
SM	45.00	37.50	-	-	45.00	37.50
<b>Total</b>	<b>90.00</b>	<b>75.00</b>	<b>-</b>	<b>-</b>	<b>90.00</b>	<b>75.00</b>
<b>Professional Fees</b>						
DJ	0.90	-	-	-	0.90	-
<b>Total</b>	<b>0.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.90</b>	<b>-</b>
<b>Salaries</b>						
GA	1.86	1.16	-	-	1.86	1.16
IS	2.37	-	-	-	2.37	-
<b>Total</b>	<b>4.23</b>	<b>1.16</b>	<b>-</b>	<b>-</b>	<b>4.23</b>	<b>1.16</b>
<b>Outstanding as on 31st March</b>						
<b>Trade &amp; Other Receivable</b>						
HM	-	12.63	-	-	-	12.63
SC	-	-	-	0.01	-	0.01
URSLLP	-	-	204.67	-	204.67	-
<b>Total</b>	<b>-</b>	<b>12.63</b>	<b>204.67</b>	<b>0.01</b>	<b>204.67</b>	<b>12.64</b>
<b>Deposits given</b>						
HM	-	-	-	-	-	-
SC	-	-	-	-	-	-
SCIPL	-	-	100.00	-	100.00	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>

\* Transactions are of non-monetary consideration.

MGPL# : Loan repaid to Magicremedi Pvt Ltd, is actually Conversion of Loan into Equity Share Capital, being 3,50,000/- shares issued at ₹ 130/- per share each. (₹ 120 share premium).



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### Note no. 32 Trade payable ageing schedule

(₹ in Lakhs)

#### Outstanding for following periods from due date of payment (2022-23)

S.no	Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
32.01	MSME	1,094.92	-	-	-	1,094.92
32.02	Others	8,093.99	-	-	-	8,093.99
32.03	Disputed dues-MSME	-	-	-	-	-
32.04	Disputed dues-Other	-	-	-	-	-
	<b>Total</b>	<b>9,188.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,188.91</b>

(₹ in Lakhs)

#### Outstanding for following periods from due date of payment (2021-22)

S.no	Particulars	< 1 year	1-2 years	2-3 years	> 3 years	Total
32.11	MSME	307.27	-	-	-	307.27
32.12	Others	7,052.27	-	15.56	-	7,067.83
32.13	Disputed dues-MSME	-	-	-	-	-
32.14	Disputed dues-Other	-	-	-	-	-
	<b>Total</b>	<b>7,359.53</b>	<b>-</b>	<b>15.56</b>	<b>-</b>	<b>7,375.09</b>

### Note no. 33 Trade receivable ageing schedule

(₹ in Lakhs)

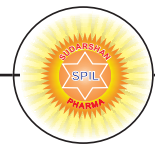
#### Outstanding for following periods from due date of payment (2022-23)

S.no	Particulars	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
33.01	Undisputed - considered good	7,674.11	158.74	192.95	46.47	33.60	<b>8,105.86</b>
33.02	Undisputed - considered doubtful	-	-	-	-	-	-
33.03	Disputed - considered good	-	-	-	-	45.07	<b>45.07</b>
33.04	Disputed - Credit Impaired	-	-	-	-	-	-
	<b>Total</b>	<b>7,674.11</b>	<b>158.74</b>	<b>192.95</b>	<b>46.47</b>	<b>78.66</b>	<b>8,150.93</b>

(₹ in Lakhs)

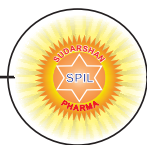
#### Outstanding for following periods from due date of payment (2021-22)

S.no	Particulars	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
33.11	Undisputed - considered good	6,995.81	113.28	105.89	19.04	68.58	<b>7,302.60</b>
33.12	Undisputed - considered doubtful	-	-	-	-	-	-
33.13	Disputed - considered good	-	-	-	-	45.07	<b>45.07</b>
33.14	Disputed - Credit Impaired	-	-	-	-	-	-
	<b>Total</b>	<b>6,995.81</b>	<b>113.28</b>	<b>105.89</b>	<b>19.04</b>	<b>113.65</b>	<b>7,347.67</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023**

<b>34</b>	<b>Disclosure required under Accounting Standard - 15 (revised 2005) for “Employee Benefits” are as under:</b>				
	The Group has recognized the expected liability arising out of the compensated absence and gratuity as at 31 <sup>st</sup> March, 2022 based on actuarial valuation carried out using the Projected Unit Credit Method. The below disclosure have been obtained from independent actuary. The other disclosures are made in accordance with AS - 15 (revised) pertaining to the Defined Benefit Plan is as given below :				
	<b>Particulars</b>	<b>Gratuity</b>		<b>Leave Encashment</b>	
		<b>Unfunded</b>		<b>Unfunded</b>	
		<b>2022-23</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2021-22</b>
a	<b>Assumptions :</b>				
	Discount Rate	7.35%	6.41%	7.35%	6.41%
	Salary Escalation	6.00%	6.00%	6.00%	6.00%
	Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
	Retirement	58 Yrs	58 Yrs	58 Yrs	58 Yrs
b	<b>Changes in present value of obligations:</b>				
	Present value of obligations as at beginning of year	3.14	1.83	1.33	0.88
	Interest Cost	0.20	0.11	(0.26)	0.45
	Current Service Cost	1.15	0.92	-	-
	Liability Transfer out	-	-	-	-
	Benefit Paid	-	-	-	-
	Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	(0.00)	-	-
	Actuarial (Gain) / Loss on obligations - Due to Change in Financial Assumptions	(0.67)	(0.16)	-	-
	Actuarial (Gain) / Loss on obligations - Due to Change in Experience	1.77	0.43	-	-
	Present value of obligations as at end of year	5.59	3.14	1.07	1.33
c	<b>Changes in the fair value of plan assets</b>				
	Fair value of plan assets at beginning of year	-	-	-	-
	Expected return on plan assets	-	-	-	-
	Contributions	-	-	-	-
	Transfer to Other Group	-	-	-	-
	Benefits paid	-	-	-	-
	Actuarial Gain / (Loss) on Plan assets	-	-	-	-
	Fair value of plan assets at the end of year	-	-	-	-

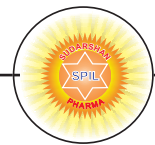


## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

	Particulars	Gratuity		Leave Encashment	
		Unfunded		Unfunded	
		2022-23	2021-22	2022-23	2021-22
d	<b>Actuarial Gain/Loss recognized</b>				
	Actuarial (gain)/Loss for the year - Obligation	1.11	0.27	-	-
	Actuarial (gain)/Loss for the year - plan assets	-	-	-	-
	Total (gain)/Loss for the year	1.11	0.27	-	-
	Actuarial (gain)/Loss recognized in the year	1.11	0.27	-	-
e	<b>Amount recognized in the Balance Sheet :</b>				
	Liability at the end of the year	5.59	3.14	1.07	1.33
	Fair value of Plant Assets at the end of the year	-	-	-	-
	Difference	(5.59)	(3.14)	(1.07)	(1.33)
	Amount recognized in the Balance Sheet	(5.59)	(3.14)	(1.07)	(1.33)
f	<b>Expenses recognized in the Profit and Loss Account:</b>				
	Current Service Cost	1.15	0.92	-	-
	Interest Cost	0.20	0.11	-	-
	Expected return on Plant assets	-	-	-	-
	Past Service Cost (non-vested benefit) recognized	-	-	-	-
	Past Service Cost (vested benefit) recognized	-	-	-	-
	Recognition of Transition Liability	-	-	-	-
	Actuarial (Gain) or Loss	1.11	0.27	-	-
	Expenses recognized in the Profit and Loss Account	2.46	1.31	-	-
g	<b>Balance Sheet Reconciliation :</b>				
	Opening Liability	3.14	1.83	1.33	0.88
	Funded Assets Taken by Other Group	-	-	-	-
	Expenses as above	2.46	1.31	(0.26)	0.45
	Employer's Contribution	-	-	-	-
	Closing Net Liability	5.59	3.14	1.07	1.33
h	<b>Data</b>				
	No of Employees	56	43	56	43
	Avg. Salary of Employees Per Month	10.28	7.60	10.28	7.60

i	<b>Leave Obligation:</b>
	The leave obligation cover the Group's liability for earned leave.
	The amount of the provision of ₹ 1.07 Lakh (31st March, 2022 ₹ 1.33 lakh) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.





## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

### 35 Additional information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956

#### Transactions in Foreign Currency :

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Expenditure</b>		
Import of Traded Goods	2,022.85	439.84
<b>Total</b>	<b>2,022.85</b>	<b>439.84</b>
<b>Income</b>		
Exports of Traded Goods	577.51	311.32
<b>Total</b>	<b>577.51</b>	<b>311.32</b>

### 36 Operating Lease :

The Group has non cancelable operating Lease Expense.:

( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Lease Rental paid During the Year	58.14	19.44
<b>Total</b>	<b>58.14</b>	<b>19.44</b>

The future minimum lease expense is as under:

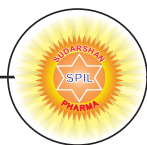
( ₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Upto 1 Year	62.50	41.70
1 Year to 5 Year	148.17	50.10
Above 5 Year	-	-
<b>Total</b>	<b>210.68</b>	<b>91.80</b>

#### **Other Terms :**

Lease Rentals are charges on the basis of agreed terms. Additional amount of applicable taxes will be paid on these rentals as per the applicable rates existing at the time of payments.

- 37** The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- 38** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

- 39** The Group doesn't have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 40** The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year
- 41** In the opinion of the board of directors the current assets, loan & advances are realisable in ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- 42** Net Profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per shares.

Particulars		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a.	Face Value Per Share ( In ₹ )	10	10
b.	Net Profit/(Loss) after tax ( In ₹ )	7,03,66,852	5,24,78,766
c.	Weighted average number of Equity Shares	1,28,50,784	96,13,962
d.	Basic and Diluted Earnings per share	5.48	5.46

**43 Corporate Social Responsibility / CSR Expenditure :**

a) Gross amount required to be spent by the Group during the year 2022-23 is ₹ 8.35 Lakhs. (previous year Nil)

b) Amount paid during the year/period :

( ₹ in Lakhs)

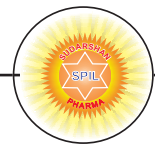
Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	In Cash	Balance to incur	Total	In Cash	Balance to incur	Total
CSR spend	8.35	-	8.35	-	-	-
<b>Total</b>	<b>8.35</b>	<b>-</b>	<b>8.35</b>	<b>-</b>	<b>-</b>	<b>-</b>

- 44** During the year ended 31<sup>st</sup> March 2023, the Group has come up with Initial Public Offer ("IPO") and proceeds of IPO has been utilised up-to March 2023 as shown in the table below :

Particulars	Amount in ₹ Lakhs
IPO Expenses	829.42
Transferred to UBI Cash Credit A/c (*)	4,180.13
<b>Total IPO Issue Size</b>	<b>5,009.55</b>

(\*) ₹ 4,180.13 Lakhs was transferred to Cash Credit account since the purpose of IPO issue was for Working Capital and General Requirement purpose.

- 45** The Board of Directors have recommended, subject to the approval of the equity shareholders at the ensuring Annual General Meeting, a dividend on equity shares of 3% i.e ₹ 0.30 (Previous Year : Nil) per Equity Share.
- 46** There are no indications of impairment on any individual cash generating assets or on cash generating units in the opinion of management and therefore no test of impairment is carried out.
- 47** All the known income and expenditure and assets and liabilities have been taken into account and that all the expenditure debited to the profit and loss account have been exclusively incurred for the purpose of the Group's business.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2023

- 48** Balance in the accounts of debtors, creditors and advances are subject to confirmation/ reconciliation/ adjustment from the respective parties.
- 49** The loans and advances made by Group are unsecured and treated as current assets and not prejudicial to the interest of the Group.
- 50** Previous's Year Figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

### As per Report of Even date

#### For NGST & Associates

Chartered Accountants

Firm Registration number : 135159W

#### Twinkal P. Jain

Partner

Membership No.: 156938

**Place :** Mumbai

**Date :** 26<sup>th</sup> May, 2023

#### For Sudarshan Pharma Industries Ltd

**Hemal Vasantrai Mehta**

Managing Director

DIN : 02211121

**Sachin Vasantrai Mehta**

Joint Managing Director

DIN : 02211178

**Ishita Ashok Samani**

Company Secretary

ACS : 67814

**Jaya Ankur Singhania**

Independent Director

DIN: 01990322

**Dharam Vinod Jilka**

Chief Financial Officer

**Umesh Luthra**

Independent Director

DIN: 06692755

**Rushabh Patil**

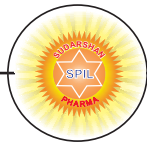
Independent Director

DIN: 09779021

**Date :** 26<sup>th</sup> May, 2023

## Form AOC-1

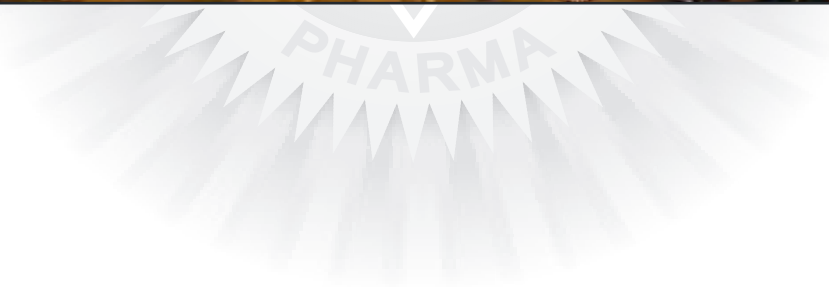
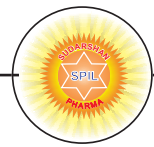
Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies.



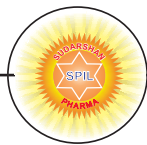
(₹ In Lakhs)

Sr. No.	Name of Subsidiary Company	Reporting Period	Country	Reporting currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Tax	Tax Expense/ (Credit)	Profit/ (Loss) after tax	Profit/ (Loss) for the year	Proposed dividend & tax thereon	% of shareholding
1	SUDARSHAN PHARMA LIFESCIENCE PRIVATE LIMITED	31 <sup>st</sup> March, 2023	India	₹	-	10.00	(0.84)	10.83	10.83	-	-	(0.31)	-	(0.31)	(0.31)	-	100.00









**SUDARSHAN PHARMA INDUSTRIES LIMITED**  
(ISSUER)

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**BSE SME**  
(LISTING PLATFORM)

AND

**GRETEX CORPORATE SERVICES LIMITED**  
(MERCHANT BANKER)

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**LISTING CEREMONY**  
ON 22ND MARCH, 2023



## Sudarshan Pharma Industries Limited

**Registered Office :**  
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Above Kalyan Jewellers,  
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Mumbai-400092.

**Phone:** +91-22-4222 1160  
**Email ID:** [compliance@sudarshanpharma.com](mailto:compliance@sudarshanpharma.com)  
**Website:** [www.sudarshanpharma.com](http://www.sudarshanpharma.com)  
**CIN:** U51496MH200