

**INDEPENDENT AUDITOR'S REPORT**

To The Members of Naxpar Pharma Private Limited

**Report on the Standalone Financial Statements**

1. We have audited the accompanying Standalone financial statements of Naxpar Pharma Private Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of Change in Equity for the year then ended and, notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the Statement of Change in Equity for the year ended on that date

**Basis of Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 on the standalone financial statements.

**Key Audit Matters**

4. 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 determined the matter described below to be the key audit matter to be communicated in our report.



5.	The Key Audit Matter	How was the matter addressed in our audit
	<p>Revenue is recognised when control of the products being sold has been transferred to the customer. The timing of revenue recognition is relevant to the reported performance of the Company.</p> <p>We identified revenue recognition as a key audit matter because there is presumed fraud risk of revenue being overstated at period end by recognising certain transactions as revenue though control over those goods may not have transferred to the customers as at year-end by changing the timing of transfer of control.</p>	<p>In view of significance of the matter we applied following audit procedures in this area, among others to obtain sufficient and appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• Evaluated compliance of the revenue recognition accounting policies by comparing with Ind AS 115 "Revenue from Contracts with Customers".</li> <li>• Tested the design, implementation and operating effectiveness of the Company's general IT controls and manual controls over the Company's systems which governs recording of revenue, creation of new customers and key controls over revenue cut-off in the general ledger.</li> <li>• Performed substantive testing by selecting statistical samples of revenue transactions recorded during the year and year-end cut-off testing by verifying the underlying documents, which include testing contractual terms of sale contracts / invoices, shipping documents and proof of delivery to test evidence for transfer of control.</li> <li>• Evaluated adequacy of disclosures in relation to revenue in the standalone financial statements.</li> </ul>

**Information other than the financial statements and auditors' report thereon**

6. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.
7. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

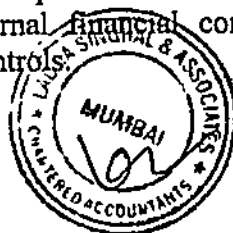


## **Management's Responsibility for the Standalone Financial Statements**

9. The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the Statement of Change in Equity 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

11. 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.
12. 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 controls.
  - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. Materiality is the magnitude of misstatements in the standalone financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
14. 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.
15. 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.
16. 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**

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

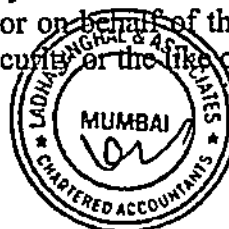


18. As required by section 143(3) of the Act, we report that:

- 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), Cash Flow Statement and the Statement of Change in Equity 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls 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 the requirements of section 197(16) of the Act, as amended,

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations, if any on its financial position in note no. 34 of its standalone financial statements;
  - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
  - iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) a) The management has represented that, to the best of its knowledge and belief, no funds 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

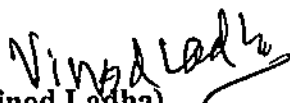


b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether,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

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

v) No dividend has been declared or paid during the year by the Company.

**For Ladha Singhal & Associates**  
Chartered Accountants  
Firm Registration No.: 120241W

  
(Vinod Ladha)  
Partner

M. No.: 104151

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

UDIN : 22104151AKBICU4211



### Annexure A to Independent Auditor's Report

Referred to as 'Annexure A' in paragraph 17 of the Independent Auditors' Report of even date to the members of Naxpar Pharma Private Limited on the standalone financial statements for the year ended on 31<sup>st</sup> March, 2022.

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets, in our opinion, the frequency of verification is reasonable considering to the size of the Company and the nature of its assets. Physical verification of the assets has been carried out during the year pursuant to the programme in that respect. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

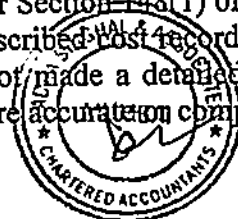
(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date, except in the case of certain immovable properties of the Company as listed below whose title deeds are under dispute.:

Description of property	As at the Balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company *
	Gross carrying value	Net carrying value				
Land	14,18,000	14,18,000	Ram Gopal	NA	Since 2007	Dispute for the title of the land. Possession is with the Company. Company got decree in their favour from district court

(d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.



- (e) In our opinion and according to the information and explanations given to us, neither any proceedings have been initiated during the year nor are pending as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed
- iii. In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the investment made are in the ordinary course of business and accordingly not prejudicial to the Company's interest.
- (c) The Company has not granted any loans or advances in the nature of loans during the year. Accordingly, clauses 3(iii)(c), (d), (e) and (f) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 to the extent applicable. The Company has not made investment, provided any loans, guarantee and security during the year
- v. According to the information and explanations given to us, the Company has not any accepted any deposit or amounts which are deemed to be deposits within the meaning of section 73 to 76 or any relevant provision of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of company's products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.





vii. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs.)*	Period to which the Amount Relates	Forum where Dispute is Pending
The Finance Act, 1994	Service Tax	15,54,600	April 2017 to June 2017	The Commissioner of Central Excise (Appeals), Chandigarh
Goods and Service Tax Act, 2017	Goods and Service Tax	20,91,332	June 2017	The Commissioner of Goods and Service Tax (Appeals), Chandigarh

\* includes interest and penalty as per demand orders.

- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the order is not applicable to the Company.
- ix. (a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders. Accordingly, the provisions of clause 3(ix) of the order is not applicable to the Company.
- (b) On the basis of information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiaries, associates and joint ventures during the year and hence, reporting under clause (ix) (e) of the order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.



- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Based on our audit procedure performed and according to the information and explanations given to us, no whistle blower complaints were received by the Company during the year. Accordingly, the provisions of clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued to the Company till the date of the audit report,
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable to the Company



- 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 financial statements and 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 indicating 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. In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a fund specified in Schedule VII to the Companies Act or special account in compliance with the provisions of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For Ladha Singhal & Associates**  
Chartered Accountants  
Firm Registration No.: 120241W

*Vinod Ladha*  
(Vinod Ladha)  
Partner

M. No.: 104151

Place : Mumbai

Dated : 30<sup>th</sup> May, 2022

UDIN : 22104151AKBICU4211



## Annexure B to Independent Auditor's Report

Referred to as 'Annexure B' in paragraph 18(f) of the Independent Auditors' Report of even date to the members of Naxpar Pharma Private Limited on the standalone financial statements for the year ended on 31<sup>st</sup> March, 2022.

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

1. We have audited the internal financial controls over financial reporting of Naxpar Pharma Private Limited ("the Company") as on 31<sup>st</sup> March, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended and as on that date.

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

2. 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 ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 over financial reporting. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS 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 Ind AS financial statements.

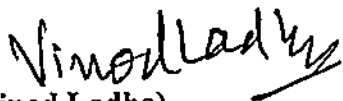
## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ladha Singhal & Associates  
Chartered Accountants  
Firm Registration No.: 120241W

  
(Vinod Ladha)  
Partner  
M. No.: 104151  
Place : Mumbai  
Dated : 30<sup>th</sup> May, 2022  
UDIN : 22104151AKBICU4211

**NAXPAR PHARMA PRIVATE LIMITED**

**Balance Sheet as at 31st March, 2022**

(All amounts in INR, unless otherwise stated)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>I ASSETS</b>			
<b>1. Non - Current Assets</b>			
(a) Property, plant and equipment	2	67,86,31,496	55,77,71,263
(b) Capital work in progress	3	3,34,23,902	4,91,08,059
(c) Intangible assets	4	9,09,673	14,06,348
(d) Right-of-use-asset	43	3,55,13,069	3,25,94,457
(e) Financial assets			
(i) Investments	5	13,51,000	13,51,000
(ii) Other financial assets	6	48,84,347	42,15,030
(f) Other non-current assets	7	2,64,49,215	1,70,76,805
		78,11,62,701	66,35,22,963
<b>2. Current Assets</b>			
(a) Inventories	8	19,13,35,182	10,20,93,794
(b) Financial assets			
(i) Trade receivables	9	36,84,42,285	16,46,02,221
(ii) Cash and cash equivalents	10	2,91,851	7,97,061
(iii) Bank balances other than (ii) above	11	1,40,54,118	1,07,15,807
(iv) Loans	12	41,81,271	82,41,441
(c) Current tax assets (net)		71,54,513	2,59,92,964
(d) Other current assets	13	4,95,20,502	2,49,03,125
		63,49,79,723	33,73,46,414
		1,41,61,42,423	1,00,08,69,377
<b>TOTAL ASSETS</b>			
<b>II EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Share capital	14	5,00,00,000	5,00,00,000
(b) Other equity	15	40,50,88,461	32,88,63,967
		45,50,88,461	37,88,63,967
<b>2. Liabilities</b>			
<b>Non - current liabilities</b>			
(a) Financial liabilities			
(i) Long term borrowings	16	16,26,32,258	12,08,61,077
(ii) Lease Liabilities	43	3,15,61,495	3,15,52,958
(b) Deferred tax liability	32	4,24,23,569	3,18,11,817
(c) Long term provisions	17	46,68,630	25,10,650
		24,12,85,952	18,67,36,502
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Short term borrowings	18	40,00,94,976	32,11,93,749
(ii) Trade payables	19		
- total outstanding dues of micro enterprises and small enterprises		11,72,08,143	3,17,77,424
- total outstanding dues of creditors other than micro enterprise and small enterprise		9,84,04,353	2,09,50,694
(iii) Lease Liabilities	43	44,85,890	12,63,742
(iv) Other financial liabilities	20	8,58,03,545	5,44,96,994
(b) Other current liabilities	21	74,31,244	50,54,516
(c) Short term provision	22	8,44,033	5,31,790
(d) Current tax liability (net)		54,95,826	-
		71,97,68,011	43,52,68,909
		1,41,61,42,423	1,00,08,69,377
<b>TOTAL EQUITY AND LIABILITIES</b>			
<b>Significant Accounting Policies</b>	1		

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date  
For Ladha Singhal and Associates  
Chartered Accountants  
Firm's Registration No : 120241W

*Vinod Ladha*  
(Vinod Ladha)  
Partner  
M. No. 104151  
UDIN : 22104151AKBICU4211  
Place: Mumbai  
Date : 30th May, 2022



For and on behalf of the Board of Directors of Naxpar Pharma Private Limited

Prakash M. Shah  
(Whole Time Director)  
DIN 00440980  
Baiju M. Shah  
(Whole Time Director)  
DIN 00440806

*Prakash M. Shah*  
*Baiju M. Shah*

**NAXPAR PHARMA PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I Revenue from operations (Gross)	23	1,57,56,89,524	88,09,18,294
II Other income	24	16,81,269	14,51,080
III Total Income (I + II)		1,57,73,70,792	88,23,69,374
IV Expenses			
Cost of materials consumed	25	89,52,76,695	40,12,43,656
Purchase of stock in trade	26	7,47,559	13,34,717
Change in inventories	27	(1,65,77,857)	44,74,809
Employee benefits expense	28	16,91,20,240	13,23,62,918
Finance cost	29	4,52,48,876	4,25,10,688
Depreciation and amortization expense	30	5,82,08,408	5,11,57,465
Other expenses	31	31,03,02,738	23,75,86,168
Total Expenses		1,46,25,26,659	87,06,70,421
V Profit / (Loss) Before Tax (III-IV)		11,48,44,133	1,16,98,953
VI Tax Expense:	32		
(a) Current tax		2,67,00,000	19,52,789
(b) Deferred tax (Asset) / Liability		1,09,75,328	40,00,191
(c) MAT Credit		-	(19,52,789)
(d) Short (Excess) provision for tax for earlier years		1,000	-
		3,76,76,328	40,00,191
VII Profit / (Loss) for the year (V-VI)		7,71,67,805	76,98,762
VIII Other Comprehensive Income			
A.(i) Items that will not be reclassified to profit & loss			
Remeasurements of post-employment benefit obligations	36	(13,06,887)	12,14,595
(ii) Income tax relating to items that will not be reclassified to profit or loss		3,63,576	(3,15,795)
Total Other Comprehensive Income		(9,43,311)	8,98,800
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR(VII+VIII)</b>		<b>7,62,24,494</b>	<b>85,97,562</b>
IX. Earnings Per Equity Share of Rs.10/- each :			
Weighted average no. of shares (Basic & Diluted)		50,00,000	50,00,000
(1) Basic Earning Per Share (Rs.)		15.43	1.54
(2) Diluted Earning Per Share (Rs.)		15.43	1.54
Significant Accounting Policies	I		

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date

For Latha Singhal and Associates  
Chartered Accountants

Firm's Registration No : 120241W

*Vinod Latha*  
(Vinod Latha)

Partner

M. No. 104151

UDIN : 22104151AKBICU4211

Place: Mumbai

Date : 30th May, 2022



For and on behalf of the Board of Directors of Naxpar Pharma Private Limited

Prakash M. Shah  
(Whole Time Director)  
DIN 00440980  
Balju M. Shah  
(Whole Time Director)  
DIN 00440806

*Prakash M. Shah*  
*Balju M. Shah*

**NAXPAR PHARMA PRIVATE LIMITED**  
**Cash Flow Statement for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	11,48,44,133	1,16,98,953
Adjustments for		
Depreciation	5,82,08,408	5,11,57,465
Interest & Dividend income	(8,94,443)	(8,13,223)
Finance Cost	4,52,48,876	4,25,10,688
Profit on sale of asset	(31,000)	(1,05,550)
Sundry balances written off	(2,31,239)	9,42,881
<b>Operating Profit Before Working Capital Adjustments</b>	<b>21,71,44,735</b>	<b>10,53,91,213</b>
<b>Changes in Working Capital</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Inventories	(8,92,41,388)	79,13,009
Trade receivables	(20,38,40,063)	4,57,17,054
Other assets (Financials and Non Financial assets)	(3,05,98,934)	(1,12,66,349)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	16,31,15,619	(4,64,81,056)
Other liabilities (Financials and Non Financial assets)	3,48,46,615	(3,53,09,220)
<b>Cash generated from operations</b>	<b>9,14,26,583</b>	<b>6,59,64,651</b>
Direct Tax Paid (Refund) [Net]	23,66,723	75,85,878
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>8,90,59,861</b>	<b>5,83,78,773</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment & intangible assets	(17,82,78,892)	(4,54,33,064)
Expenditure on capital work in progress	1,56,84,158	(1,99,67,996)
Sale of Fixed Assets	50,000	6,80,000
Sale / (Purchase) of Investment	-	-
Investment in fixed deposit	(33,38,311)	(17,40,824)
Interest & Dividend income	8,94,443	8,13,223
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(16,49,88,603)</b>	<b>(6,56,48,662)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings (net)	4,17,71,181	(2,79,01,405)
Proceeds from Short-term borrowings (net)	7,89,01,227	7,56,89,923
Finance Cost	(4,52,48,876)	(4,25,10,688)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>7,54,23,532</b>	<b>52,77,830</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(5,05,210)</b>	<b>(19,92,058)</b>
Cash and cash equivalents at the beginning of the year	7,97,061	27,89,120
Cash and cash equivalents at the end of the year	2,91,851	7,97,061

As per our report of even date

For Ladha Singhal and Associates  
 Chartered Accountants  
 Firm's Registration No : 120241W

*Vinod Ladha*  
 (Vinod Ladha)  
 Partner

M. No. 104151

UDIN : 22104151AKBICU4211

Place : Mumbai

Date : 30th May, 2022



For and on behalf of the Board of Directors of Naxpar  
 Pharma Private Limited

Prakash M. Shah  
 (Whole Time Director)

DIN 00440980

Balju M. Shah  
 (Whole Time Director)

DIN 00440806

*Prakash M. Shah*  
*Balju M. Shah*



**NAXPAR PHARMA PRIVATE LIMITED****Statement of Changes in Equity for the year ended 31st March, 2022**

(All amounts in INR, unless otherwise stated)

**(A) Equity Share Capital**

	Amount
Balance as at April 01, 2020	5,00,00,000
Changes in share capital during the year	-
Balance as at March 31, 2021	5,00,00,000
Changes in share capital during the year	-
Balance as at March 31, 2022	5,00,00,000

**(B) Other Equity**

	Securities premium	Surplus in Statement of Profit & loss	Accumulated other comprehensive income	Total
Balance as at April 01, 2020	4,99,00,000	27,10,59,938	(6,93,533)	32,02,66,405
Profit/(Loss) for the year	-	76,98,762	-	76,98,762
Other comprehensive income for the year	-	-	8,98,800	8,98,800
Balance as at March 31, 2021	4,99,00,000	27,87,58,700	2,05,267	32,88,63,967
Profit/(Loss) for the year	-	7,71,67,805	-	7,71,67,805
Other comprehensive income for the year	-	-	(9,43,311)	(9,43,311)
Balance as at March 31, 2022	4,99,00,000	35,59,26,505	(7,38,044)	40,50,88,461

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Ladha Singhal and Associates  
Chartered Accountants  
Firm's Registration No : 120241W

Vinod Ladha  
(Vinod Ladha)

Partner

M. No. 104151

UDIN : 22104151AKBICU4211

Place : Mumbai

Date : 30th May, 2022



For and on behalf of the Board of Directors of Naxpar Pharma  
Private Limited

Prakash M. Shah  
(Whole Time Director)

DIN 00440980

Baiju M. Shah

(Whole Time Director)

DIN 00440806

## NAXPAR PHARMA PRIVATE LIMITED

Notes to standalone financial statements for the year ended 31st March, 2022

(All amounts in INR, unless otherwise stated)

### Note - I

#### A. CORPORATE INFORMATION:

Naxpar Pharma Private Limited is a private limited company incorporated under the provisions of the Companies Act, 1956 and is a subsidiary of Parmax Lab Limited.. The Company is principally engaged in the business activities of manufacturing and export of Pharmaceutical Formulations.

#### B. SIGNIFICANT ACCOUNTING POLICIES:

##### 1. Basis of Preparation of Financial Statements:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting standards) Rules as amended from time to time and other related provisions of the Act.

The financial statements of the Company are prepared on the accrual basis of accounting and Historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- (i) Certain financial assets and liabilities are measured at Fair value (Refer note no. 8)
- (ii) Defined benefit employee plan (Refer note no. 13)

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The financial statements are presented in INR, the functional currency of the Company.

##### 2. Use of Estimates and Judgments:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

##### Critical accounting judgements and key source of estimation uncertainty

The Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

- (a) Recognition and measurement of defined benefit obligations, key actuarial assumptions - Note no. - 13
- (b) Estimation of current tax expenses and payable - Refer note no. - 14

##### 3. Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.



If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work in progress".

#### 4. Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

Any expected loss is recognized immediately in the Statement of Profit and Loss.

Intangible assets that are ready for use are amortized on a straight line basis.

#### 5. Depreciation and Amortization:

##### (a) Property plant and equipment (PPE)

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

##### (b) Intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

#### 6. Investment Properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

Depreciation on building is provided based on straight line method using the useful life as specified in schedule II of the Companies Act, 2013 .

#### 7. Financial Instruments:

##### Financial assets - Initial recognition:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

##### Subsequent measurement:

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through profit & loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

The above classification is being determined considering the:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the company changes its business model for managing financial assets.



**(i) Measured at amortised cost:**

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Measured at fair value through other comprehensive income (FVTOCI):**

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss

**(iii) Measured at fair value through profit or loss (FVTPL):**

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

**Equity instruments:**

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

**Impairment**

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

**Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



## Financial Liabilities

### Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities

are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss. The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

## 8. Fair Value Measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 9. Inventory

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a First-in First-Out (FIFO). Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

## 10. Cash and Cash Equivalents:

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

## 11. Foreign Currency Transactions:

### a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

### b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.



## 12. Revenue Recognition:

Revenue is measured at the value of the consideration received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

### Sale of Goods

Revenue from sale of goods is recognised when control of the goods is transferred are to the buyer as per the terms of the contract. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales are exclusive of Goods and Service Tax (GST).

### Rendering of Services

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed/rendered.

### Export Incentives

Export incentives received pursuant to the Duty Drawback Scheme and Merchandise Export from India Scheme (MEIS) are accounted on an accrual basis, to the extent it is probable that realization is certain.

### Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable and based on Effective interest rate method.

### Dividend

Dividend Income is recognized when right to receive the same is established.

## 13. Employee Benefits:

The Company has provides following post-employment plans:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & Superannuation fund

### a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and

### (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

### b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.



**c) Other employee benefits:**

(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

**14. Taxes on Income:**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

**15. Borrowing Cost:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

**16. Earnings Per Share:**

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

**17. Assets held for disposal**

The Company classifies non-current assets as held for sale if their current carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell. Any expected loss is recognised immediately on statement of profit & loss.

Property, plant & equipment once classified as held for sale are not depreciated or amortised. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheets.

**18. Leases:**

Leases Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied to all lease contracts existing on the date of initial application, using the modified retrospective method along with transition option to recognise right-of-use assets (RoU) at an amount equal to the lease liability.

**The Company as lessor**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.



Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

The Company did not make any adjustments to the accounting for assets held as a lessor as a result of adopting the new lease standard.

#### The Company as lessee

The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the Company recognises a 'right-of-use' asset and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use asset are measured at cost comprising the following:

- the amount of initial measurement of liability
- any lease payments made at or before the commencement date less the incentives received
- any initial direct costs, and
- restoration costs

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use asset are depreciated over the shorter of asset's useful life and the lease term on a straight-line basis. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities measured at amortised cost include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the rate of interest implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in the similar economic environment with similar terms, security and conditions.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in the statement of profit and loss, unless they are directly attributable to qualifying assets. Variable lease payments are recognised in the statement of profit and loss in the period in which the condition that triggers those payments that occur.

#### 19. Provisions, Contingent Liabilities and Contingent Assets:

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

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in financial statements.





**NAXPAR PHARMA PRIVATE LIMITED**  
Notes to standalone financial statements for the year ended 31st March, 2022  
(All amounts in INR, unless otherwise stated)

**2. Property, plant & equipment**

Particulars	Land	Factory Building	Plant & Machinery	Other Equipment	Electrical Installation	Q.C. Equipment	Motor Vehicle	Bus	Office Equipment	Air Conditioner	Furniture and fixtures	Computer	Total
Gross carrying amount													
As at April 01, 2020 (refer note 2) below)	2,26,15,082	23,13,20,999	20,38,95,166	13,93,33,728	2,57,37,228	3,43,57,462	2,09,50,306	3,76,780	27,64,236	17,49,479	2,01,97,764	46,67,226	70,74,66,155
Additions	-	32,83,468	2,54,47,588	36,24,494	46,000	11,86,275	18,47,726	-	7,21,032	4,45,371	81,90,818	8,48,324	4,56,41,095
Disposals	-	-	35,26,020	-	-	-	6,13,417	-	-	-	-	-	41,39,437
Balance as at March 31, 2021	2,26,15,082	23,46,04,467	22,58,16,734	14,29,58,222	2,57,83,228	3,55,43,737	2,21,84,615	3,76,780	34,85,967	21,94,849	2,83,88,582	55,15,550	74,89,67,813
Additions	-	5,32,60,460	7,39,91,955	1,19,75,333	61,91,299	83,09,282	1,30,30,101	-	6,31,987	13,46,627	65,22,837	5,13,302	17,57,85,183
Disposals	-	-	-	-	-	-	3,80,000	-	-	-	-	-	3,80,000
Balance as at March 31, 2022	2,26,15,082	28,78,64,927	29,98,10,689	15,49,33,555	3,14,74,527	4,38,53,019	3,48,34,716	3,76,780	41,17,954	35,41,476	3,49,21,418	60,28,852	92,43,72,996
Accumulated depreciation/Amortisation													
Balance as at April 01, 2020	-	2,72,89,498	4,23,04,107	3,87,49,299	82,26,151	55,65,086	1,13,03,177	3,26,455	14,55,297	5,05,415	70,84,514	31,15,585	14,54,24,584
Depreciation/Amortisation charge for the year	-	86,61,785	1,69,36,774	1,20,75,857	19,91,907	25,57,545	32,06,550	-	5,45,185	1,69,083	21,62,544	10,29,723	4,93,36,953
Disposals	-	-	30,03,297	-	-	-	5,61,690	-	-	-	-	-	35,64,987
Accumulated depreciation as at March 31, 2021	-	3,59,51,283	5,62,37,584	5,03,25,156	1,02,18,058	81,22,631	1,39,48,037	3,26,455	20,00,482	6,74,498	92,47,058	41,45,308	19,11,96,550
Depreciation/Amortisation charge for the year	-	95,45,173	2,00,62,501	1,25,63,533	25,68,772	28,29,449	27,07,160	-	6,65,703	2,16,047	30,21,157	7,26,436	5,49,05,951
Disposals	-	-	-	-	-	-	3,61,000	-	-	-	-	-	3,61,000
Accumulated depreciation as at March 31, 2022	-	4,54,96,456	7,63,00,085	6,28,88,709	1,27,86,830	1,09,52,080	1,62,94,197	3,26,455	26,66,185	8,90,545	1,22,68,215	48,71,744	24,57,41,501
Net carrying amount													
Net carrying amount as at March 31, 2021	2,26,15,082	19,86,53,184	16,95,79,151	9,26,33,066	1,50,65,170	2,74,21,106	82,36,578	50,325	14,85,496	15,20,351	1,91,41,524	13,70,242	55,77,71,263
Net carrying amount as at March 31, 2022	2,26,15,082	24,23,68,471	22,35,10,604	9,20,44,846	1,86,87,697	3,29,00,939	1,85,40,519	50,325	14,51,770	26,50,931	2,26,53,204	11,57,108	67,86,31,496

**Note:**

1. Refer note no. 35 for disclosure on contractual commitments for the acquisition of property, plant and equipment.
2. The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.



**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

3 Capital work-in-progress	As at 31st March, 2022	As at 31st March, 2021
Capital work-in-progress	3,34,23,902	4,91,08,059
	3,34,23,902	4,91,08,059

Capital work in progress ageing schedule for the year ended 31 March, 2022

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1 - 2 years	2 - 3 years	
Projects in Progress	3,34,23,902	-	-	3,34,23,902
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>3,34,23,902</b>	<b>-</b>	<b>-</b>	<b>3,34,23,902</b>

Capital work in progress ageing schedule for the year ended 31 March 2021

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1 - 2 years	2 - 3 years	
Projects in Progress	4,91,08,059	-	-	4,91,08,059
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>4,91,08,059</b>	<b>-</b>	<b>-</b>	<b>4,91,08,059</b>



**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

**4 Intangible assets**

Particulars	Software	Total
Gross carrying amount as at April 01, 2020	36,62,125	36,62,125
Additions	-	-
Disposals	36,62,125	36,62,125
Balance as at March 31, 2021	1,80,000	1,80,000
Additions	-	-
Disposals	-	-
Balance as at March 31, 2022	36,62,125	36,62,125

Particulars	Software	Total
Accumulated depreciation/Amortisation		
Balance as at April 01, 2020	16,07,603	16,07,603
Depreciation/Amortisation charge for the year	6,48,174	6,48,174
Disposals	-	-
Accumulated depreciation as at March 31, 2021	22,55,777	22,55,777
Depreciation/Amortisation charge for the year	6,76,675	6,76,675
Disposals	-	-
Accumulated depreciation as at March 31, 2022	29,32,452	29,32,452

Net carrying amount as at March 31, 2021	14,06,348	14,06,348
Net carrying amount as at March 31, 2022	9,09,673	9,09,673



**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

**5 Investments**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Equity Instruments, at fair value through profit & loss		
Unquoted, fully paid-up		
Apna Sahakari Bank Ltd (20,000 Shares of Rs. 25/- each)	5,00,000	5,00,000
Janaseva Sahakari Bank Borivali Ltd (20,000 Shares of Rs. 25/- each)	5,00,000	5,00,000
Maratha Sahakari Bank Ltd. (10,040 Shares of Rs. 25/- each)	2,51,000	2,51,000
Shivalik Solid Waste Management Ltd (10,000 Shares of Rs. 10/- each)	1,00,000	1,00,000
<b>Total</b>	<b>13,51,000</b>	<b>13,51,000</b>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments before Impairment	13,51,000	13,51,000
Aggregate amount of impairment in the value of investment	-	-

**6 Other financial assets**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured, Considered good		
Security Deposit	48,84,347	42,15,030
<b>Total</b>	<b>48,84,347</b>	<b>42,15,030</b>

**7 Other non-current assets**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured, Considered good		
Capital Advances	2,64,49,215	1,70,76,805
<b>Total</b>	<b>2,64,49,215</b>	<b>1,70,76,805</b>

**8 Inventories**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(As taken, valued and certified by the Management)		
(Valued at Cost or Market value, whichever is lower)		
Raw Material	7,68,51,340	3,73,87,737
Work in Progress	1,85,49,959	89,41,505
Finished Goods	1,29,12,720	59,43,316
Packing Material	6,10,34,654	3,24,33,245
Other Material	2,19,86,510	1,73,87,991
<b>Total</b>	<b>19,13,35,182</b>	<b>10,20,93,794</b>

Note: Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value.



**NAXPAR PHARMA PRIVATE LIMITED**  
Notes to Financial Statements for the year ended 31st March, 2022  
(All amounts in INR, unless otherwise stated)

**9 Trade Receivable**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables:		
Receivables - Unsecured, Considered good	36,84,42,285	16,46,02,221
Receivables - credit impaired	27,31,684	27,31,684
Less : Allowance for expected credit loss	(27,31,684)	(27,31,684)
<b>Total</b>	<b>36,84,42,285</b>	<b>16,46,02,221</b>

**Trade receivable ageing schedule for the year ended on 31 March, 2022**

Particulars	Outstanding for the following periods from the due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	36,74,66,096	52,201	1,45,714	3,59,003	4,19,270	36,84,42,285
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	27,31,684	27,31,684
Disputed Trade Receivables - Considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant	-	-	-	-	-	-
<b>Total</b>	<b>36,74,66,096</b>	<b>52,201</b>	<b>1,45,714</b>	<b>3,59,003</b>	<b>31,50,954</b>	<b>37,11,73,969</b>
Less : Allowance for expected credit loss					27,31,684	27,31,684
<b>Total trade receivable</b>	<b>36,74,66,096</b>	<b>52,201</b>	<b>1,45,714</b>	<b>3,59,003</b>	<b>4,19,270</b>	<b>36,84,42,285</b>

**Trade receivable ageing schedule for the year ended on 31 March, 2021**

Particulars	Outstanding for the following periods from the due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	15,46,05,439	75,51,501	14,59,070	9,86,212	-	16,46,02,221
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	21,79,234	5,52,450	27,31,684
Disputed Trade Receivables - Considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant	-	-	-	-	-	-
<b>Total</b>	<b>15,46,05,439</b>	<b>75,51,501</b>	<b>14,59,070</b>	<b>31,65,446</b>	<b>5,52,450</b>	<b>16,73,33,905</b>
Less : Allowance for expected credit loss				21,79,234	5,52,450	27,31,684
<b>Total trade receivable</b>	<b>15,46,05,439</b>	<b>75,51,501</b>	<b>14,59,070</b>	<b>9,86,212</b>	<b>-</b>	<b>16,46,02,221</b>

**10 Cash and Cash Equivalents**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Cash on Hand	1,21,598	1,36,771
(b) Balance with Scheduled Banks - In Current Accounts	1,70,253	6,40,290
<b>Total</b>	<b>2,91,851</b>	<b>7,97,061</b>

**11 Bank balances other than cash & cash equivalents**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Fixed Deposit Account	1,40,54,118	1,07,15,807
<b>Total</b>	<b>1,40,54,118</b>	<b>1,07,15,807</b>

**12 Loans**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Loans and advances to employees	41,81,271	82,41,441
<b>Total</b>	<b>41,81,271</b>	<b>82,41,441</b>

**13 Other current assets**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured, Considered good		
Advances recoverable in cash or in kind or for value to be received	1,58,04,242	1,54,21,849
Balance with Government Authorities - Balance with GST	3,37,16,260	94,81,276
<b>Total</b>	<b>4,95,20,502</b>	<b>2,49,03,125</b>



**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

14 Share Capital

Particulars	As at 31st March, 2022	As at 31st March, 2021			
<b>Authorised:</b>					
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000			
<b>Total</b>	<b>5,00,00,000</b>	<b>5,00,00,000</b>			
<b>Issued, Subscribed and Paid up:</b>					
50,00,000 Equity Shares of Rs. 10/- each, fully paid up	5,00,00,000	5,00,00,000			
<b>Total</b>	<b>5,00,00,000</b>	<b>5,00,00,000</b>			
<b>(I) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :</b>					
Number of shares at the beginning of the year	50,00,000	50,00,000			
Add: Issue of Shares during the year	-	-			
Number of shares at the end of the year	50,00,000	50,00,000			
<b>(II) Terms/rights attached to Equity Shares</b>					
The Company has only one class of equity shares having par value of Rs. 10/- each. Each equity share holder is entitled to one vote per equity share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.					
(iii) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.					
(iv) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.					
<b>(v) Detail of shares held by the holding company, the ultimate holding company, their subsidiaries &amp; associates :</b>					
Holding Company	4,99,00,000	4,99,00,000			
49,90,000 Equity Shares held by Panax Lab Limited	4,99,00,000	4,99,00,000			
<b>(vi) Details of Shares held by each shareholder holding more than 5% shares :</b>					
	As at 31st March, 2022		As at 31st March, 2021		
Name of the Shareholder	No. of Shares	%	No. of Shares	%	
Panax Lab Limited	49,90,000	99.80	49,90,000	99.80	
<b>(vii) Details of shares held by promoters</b>					
Shares held as at 31 March, 2022					
Name of Promoter	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% Change during the year
Promoter Name					
Panax Lab Limited	49,90,000	-	49,90,000	99.80	-
Prakash M Shah	4,000	-	4,000	0.08	-
Baiju M Shah	4,000	-	4,000	0.08	-
Mihir P Shah	2,000	-	2,000	0.04	-
Shares held as at 31 March, 2021					
Name of Promoter	No of shares at beginning of the year	Change during the year	No of shares at end of the year	% of total shares	% Change during the year
Promoter Name					
Panax Lab Limited	49,90,000	-	49,90,000	99.80	-
Prakash M Shah	4,000	-	4,000	0.08	-
Baiju M Shah	4,000	-	4,000	0.08	-
Mihir P Shah	2,000	-	2,000	0.04	-



**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

15 Other equity

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Securities Premium Account	4,99,00,000	4,99,00,000
Surplus in Statement of profit & loss	35,59,26,505	27,87,58,700
Accumulated other comprehensive income - Actuarial Gains/(Losses)	(7,38,044)	2,05,267
<b>Total</b>	<b>40,50,88,461</b>	<b>32,88,63,967</b>

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>a) Securities Premium Account</b>		
Opening Balance	4,99,00,000	4,99,00,000
Add: Received during the year on issue of Equity Shares	-	-
Less: Utilisation / transfers during the year	-	-
Closing Balance	4,99,00,000	4,99,00,000
<b>b) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	27,87,58,700	27,10,59,938
Add/(Less): profit/(loss) for the year	7,71,67,805	76,98,762
Closing Balance	35,59,26,505	27,87,58,700
<b>c) Accumulated other comprehensive Income - Actuarial Gains</b>		
Opening Balance	2,05,267	(6,93,533)
Add/(Less): profit/(loss) for the year	(9,43,311)	8,98,800
Closing Balance	(7,38,044)	2,05,267
<b>Total</b>	<b>40,50,88,461</b>	<b>32,88,63,967</b>

16 Long-Term Borrowings

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Secured</b>		
Term Loans		
(i) From Bank	15,34,44,332	11,82,45,835
Vehicle Loans		
(i) From Bank	91,87,926	22,77,242
<b>Unsecured</b>		
From Related Parties		
From Intercompany	-	3,38,000
<b>Total</b>	<b>16,26,32,258</b>	<b>12,05,61,077</b>

**Terms and Conditions**

- (A) The term loan is secured by way of equitable mortgage of Land, Building located at Plot No. 182, Village Gunumajra, Tehsil Nalagarh, Dist. Solan, Himachal Pradesh and other immovable & Hypothecation of movable machineries and personal guarantee by the directors.  
 (B) All the vehicle loans are secured by way of Hypothecation of respective vehicle.  
 (C) Repayment profile of Term Loans is set out as below:

Rate of Interest	Bank/Loan	Nature Of Loan	Balance No of Instalments	Instalments ending on
10.25%	Apsa Sahakari Bank Ltd	Term Loan	1 to 65	April 2022 to August 2027
7.70%	Kotak Mahindra Bank Ltd	Term Loan	72	March 2028
7.50%	Kotak Mahindra Bank Ltd	WCTL	36	July 2025
7.50%	Kotak Mahindra Bank Ltd	WCTL	36	December 2025
8.20%	HDFC Bank Ltd	Car Loan	39	June 2025
9.00%	HDFC Bank Ltd	Car Loan	40	July 2024
7.40%	HDFC Bank Ltd	Car Loan	53	August 2026
7.10%	HDFC Bank Ltd	Car Loan	58	November 2026



**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

**17 Long-Term Provision**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Gratuity	23,44,771	20,31,598
Provision for Leave Encashment	23,23,859	4,79,052
<b>Total</b>	<b>46,68,630</b>	<b>25,10,650</b>

**18 Short-Term Borrowings**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Secured:</b>		
Working Capital facility - From Banks (Working Capital facility from Banks is secured by way of Hypothecation of stocks, book debts and entire current assets of the company. The facility is further secured by pari passu charge on fixed assets and personal guarantee of all the Directors of the company.)	10,06,58,657	7,59,72,725
Current Maturities of Long-Term Borrowings	4,61,99,238	4,46,79,347
<b>Unsecured</b>		
From Directors, Payable on demand	25,32,37,081	20,05,41,677
<b>Total</b>	<b>40,00,94,976</b>	<b>32,11,93,749</b>

**19 Trade Payables**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Trade Payables:</b>		
Total outstanding dues of micro enterprises and small enterprises*	11,72,08,143	3,17,77,424
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,84,04,353	2,09,50,694
<b>Total</b>	<b>21,56,12,496</b>	<b>5,27,28,117</b>

\*The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at 31 March 2022 and 31 March 2021 has been made in the financial statements based on the information received and available with the Company.

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year/period:		
Principal	11,72,08,143	3,17,77,424
Interest	-	-
<b>Total</b>	<b>11,72,08,143</b>	<b>3,17,77,424</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

**Trade payables ageing schedule for the year ended on 31 March, 2022**

Particulars	Not due	Outstanding for the following periods from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MISME	5,19,62,401	6,52,45,742	-	-	-	11,72,08,143
Others	6,75,42,105	2,79,04,343	12,27,644	-	17,30,261	9,84,04,353
<b>Total</b>	<b>11,95,04,506</b>	<b>9,31,50,085</b>	<b>12,27,644</b>	<b>-</b>	<b>17,30,261</b>	<b>21,56,12,496</b>

**Trade payables ageing schedule for the year ended on 31 March, 2021**

Particulars	Not due	Outstanding for the following periods from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MISME	1,33,05,552	1,84,71,872	-	-	-	3,17,77,424
Others	92,00,965	1,00,19,468	-	6,45,622	10,84,639	2,09,50,694
<b>Total</b>	<b>2,25,06,517</b>	<b>2,84,91,339</b>	<b>-</b>	<b>6,45,622</b>	<b>10,84,639</b>	<b>5,27,28,117</b>

**20 Other financial Liabilities**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest Accrued But Not Due	14,68,879	-
Sundry Creditors for Expenses	8,43,34,666	5,44,96,994
<b>Total</b>	<b>8,58,03,545</b>	<b>5,44,96,994</b>





**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

**21 Other Current Liabilities**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory Remittances	74,31,244	40,97,721
Advances from Customers	-	9,56,795
<b>Total</b>	<b>74,31,244</b>	<b>50,54,516</b>

**22 Short-Term Provision**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Gratuity	6,06,485	4,82,755
Provision for Leave Encashment	2,37,548	49,035
<b>Total</b>	<b>8,44,033</b>	<b>5,31,790</b>

**23 Revenue from Operations**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of Goods (a) Sales	1,23,32,45,857	59,60,84,265
Sale of Services (b) Labour Charges	34,24,43,666	28,48,34,029
<b>Total</b>	<b>1,57,56,89,524</b>	<b>88,09,18,294</b>

**24 Other Income**

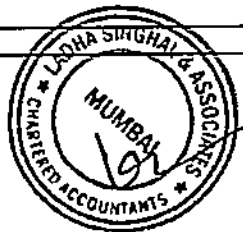
Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest from bank on FDR	8,79,443	7,98,223
Dividend	15,000	15,000
Interest from security deposits	66,623	56,997
Interest on Income Tax Refund	6,55,938	-
Duty drawback	16,163	1,40,792
Exchange gain	17,102	-
Export incentive	-	3,34,518
Profit on sale of asset	31,000	1,05,550
<b>Total</b>	<b>16,81,269</b>	<b>14,51,080</b>

**25 Cost of Material Consumed**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw Materials & Packing Material Consumed :		
Opening Stock	6,98,20,982	7,67,61,888
Add:- Purchases during the year	96,33,41,707	39,43,02,750
	1,03,31,62,689	47,10,64,638
Less: - Closing Stock	13,78,85,994	6,98,20,982
<b>Total</b>	<b>89,52,76,695</b>	<b>40,12,43,656</b>

**26 Purchase of Stock In Trade**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening Stock of Finished Goods Traded	-	-
Add: Purchases during the year	7,47,559	13,34,717
	7,47,559	13,34,717
Less: Closing Stock of Finished Goods Traded	-	-
<b>Total</b>	<b>7,47,559</b>	<b>13,34,717</b>



**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
 (All amounts in INR, unless otherwise stated)

**27 Changes In Inventories**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
At the beginning of the period		
(i) Finished Goods	59,43,316	91,94,778
(ii) Work In Progress	89,41,505	1,01,64,853
At the end of the period		
(i) Finished Goods	1,29,12,720	59,43,316
(ii) Work In Progress	1,85,49,959	89,41,505
<b>Total</b>	<b>(1,65,77,857)</b>	<b>44,74,809</b>

**28 Employee Benefit Expenses**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and wages	14,87,05,126	11,97,01,985
Bonus & Ex-gratia	59,56,269	6,61,136
Staff welfare expenses	30,88,623	36,29,760
Gratuity paid	19,81,118	15,57,362
Employer's contribution to provident fund	68,81,794	51,94,543
Contribution to ESIC	16,40,522	12,65,553
Leave encashment	8,66,788	3,52,579
<b>Total</b>	<b>16,91,20,240</b>	<b>13,23,62,918</b>

**29 Finance Costs**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Bank charges & commission	3,79,711	8,54,039
Interest paid to bank - Working Capital	79,89,557	64,31,408
Interest paid to bank- Term Loan	1,62,17,905	1,87,77,150
Interest paid - Vehicle Loan	5,04,330	3,38,225
Interest on leased assets	4,22,180	1,94,404
Interest paid to others	28,52,887	14,18,005
Interest on unsecured loan	1,68,82,305	1,44,97,456
<b>Total</b>	<b>4,52,48,876</b>	<b>4,25,10,688</b>

**30 Depreciation and amortization expense**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on property, plant and equipment	5,49,05,951	4,93,36,953
Amortisation of intangible assets	6,76,673	6,48,174
Amortisation of Right to use of lease assets	26,25,782	11,72,338
<b>Total</b>	<b>5,82,08,408</b>	<b>5,11,57,465</b>



**NAXPAR PHARMA PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended 31st March, 2022**  
**(All amounts in INR, unless otherwise stated)**

**31 Other Expenses**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>(A) Manufacturing Expenses</b>		
Analytical charges, chemical & glassware consumed	1,84,41,706	1,47,34,664
Consumable & stores	85,91,835	46,80,657
Power & fuel consumed	5,05,20,207	4,11,10,715
Factory expenses	69,60,532	62,18,821
Freight & octroi	1,38,58,384	99,32,327
Loading unloading & packing charges	10,15,34,017	7,17,44,441
License fees	6,35,422	4,99,590
Repair & maintenance		
-Plant & machinery	1,94,48,370	1,13,44,770
-Building	74,93,250	97,85,032
-Other	1,38,42,873	91,45,571
Security charges	54,17,952	48,86,474
Pollution control expenses	60,000	60,000
Job work charges paid	-	4,70,982
	<b>24,68,04,547</b>	<b>18,46,14,045</b>
<b>(B) Selling and Distribution Expenses</b>		
Sales Promotion Expenses	42,61,466	24,29,607
Advertisement Expenses	52,100	90,629
Freight Outward	79,38,807	57,79,968
Travelling Expenses	37,45,293	10,18,730
CHA Charges	1,46,004	2,83,058
Commission Paid	1,10,000	1,29,000
Export Insurance	1,600	6,068
Product Dev. & Registration	26,62,949	4,16,550
	<b>1,89,18,218</b>	<b>1,01,53,608</b>
<b>(C) Administrative and General Expenses</b>		
Rent Rates & Taxes	69,32,088	76,96,814
Insurance	50,70,812	40,73,226
Legal & Professional Fees	1,55,30,223	1,45,45,891
Payment to Auditors		
As auditor :		
- Statutory and Tax audit fees	3,50,000	3,50,000
In other capacity:		
- Taxation Matters	-	40,000
- Other matters	40,000	40,000
ROC Filing Fees	20,300	12,000
Office Expenses	6,06,746	5,88,764
Conveyance	25,54,853	28,67,189
Sundry Balances W/off	(2,31,239)	9,42,881
Printing & Stationery	9,25,846	6,26,607
Telephone Expenses	6,51,155	6,48,453
Postage & Courier	8,72,594	6,25,935
Donation	10,25,000	51,200
Motor Car Expenses	45,66,449	31,13,756
Electricity Charges	7,49,829	3,86,524
Membership & Subscription	1,10,838	86,231
Corporate Social Responsibility Expenses	30,00,000	10,00,000
Exchange Loss	-	5,39,506
Other Expenses	20,04,478	45,83,540
	<b>4,47,79,972</b>	<b>4,28,18,515</b>
<b>Total</b>	<b>31,05,02,738</b>	<b>23,75,86,168</b>



# NAXPAR PHARMA PRIVATE LIMITED

Notes to standalone financial statements for the year ended 31st March, 2022

(All amounts in INR, unless otherwise stated)

## 32 Income taxes

### (a) Income Tax Expenses

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current tax</b>		
Current year	2,67,00,000	19,52,789
Short Provision for Tax for earlier years	1,000	-
MAT Credit	-	(19,52,789)
<b>Total current tax</b>	<b>2,67,01,000</b>	<b>-</b>
<b>Deferred tax</b>		
Relating to origination and reversal of temporary difference	1,09,75,328	40,00,191
<b>Total deferred income tax expense/(credit)</b>	<b>1,09,75,328</b>	<b>40,00,191</b>
<b>Total income tax expense/(credit)</b>	<b>3,76,76,328</b>	<b>40,00,191</b>

### (b) Tax reconciliation

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

#### (a) Reconciliation of effective tax rate

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit /(loss) before taxation	11,48,44,133	1,16,98,953
Enacted income tax rate in India	27.82%	26.00%
Tax at the enacted income tax rate	3,19,49,638	30,41,728
<b>Reconciliation line items:</b>		
- Others	57,26,690	9,58,463
	<b>3,76,76,328</b>	<b>40,00,191</b>

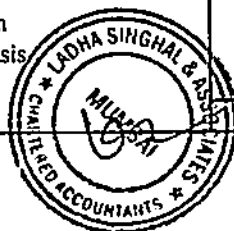
### (b) The movement in deferred tax assets and liabilities during the year ended March 31, 2022 and March 31, 2021:

#### As at March 31, 2022

	As at April 01, 2021	(Credit)/ Charge in Statement of profit and loss	As at March 31, 2022
<b>Deferred tax (assets)/liabilities</b>			
On Account of Depreciation	3,73,57,346	64,51,198	4,38,08,544
On losses and unabsorbed depreciation	(52,82,710)	52,82,710	-
On expenses allowable on payment basis	(2,62,819)	(11,22,156)	(13,84,975)
	<b>3,18,11,817</b>	<b>1,06,11,752</b>	<b>4,24,23,569</b>

#### As at March 31, 2021

	As at April 01, 2020	(Credit)/ Charge in Statement of profit and loss	As at March 31, 2021
<b>Deferred tax (assets)/liabilities</b>			
On Account of Depreciation	3,49,64,336	23,93,010	3,73,57,346
On losses and unabsorbed depreciation	(66,69,666)	13,86,956	(52,82,710)
On expenses allowable on payment basis	(7,98,839)	5,36,020	(2,62,819)
	<b>2,74,95,831</b>	<b>43,15,986</b>	<b>3,18,11,817</b>



## NAXPAR PHARMA PRIVATE LIMITED

Notes to standalone financial statements for the year ended 31st March, 2022

(All amounts in INR, unless otherwise stated)

### 33 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

i) Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The disclosure in respect of the defined Gratuity Plan are given below:

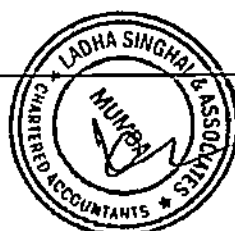
#### Balance Sheet

Particulars	Defined benefit plans	
	As at March 31, 2022	As at March 31, 2021
Present value of plan liabilities	91,49,467	75,14,710
Fair value of plan assets	61,98,211	50,00,357
Asset/(Liability) recognised	29,51,256	25,14,353

#### Movements in plan assets and plan liabilities

Particulars	Present value of obligations	Fair Value of Plan assets
As at 1st April 2021	75,14,710	50,00,357
Current service cost	18,32,961	-
Past service cost	-	-
Interest Cost/(Income)	4,95,480	3,92,721
Return on plan assets excluding amounts included in net finance income/cost	-	8,789
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	(3,60,748)	-
Actuarial (gain)/loss arising from experience adjustments	1,87,557	-
Employer contributions	-	8,96,404
Benefit payments	(5,20,493)	(1,00,060)
As at 31st March 2022	91,49,467	61,98,211

Particulars	Present value of obligations	Fair Value of Plan assets
As at 1st April 2020	57,97,334	46,88,514
Current service cost	14,90,479	-
Past service cost	-	-
Interest Cost/Income	3,89,424	3,22,535
Return on plan assets excluding amounts included in net finance income/cost	-	25,653
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	31,923	-
Actuarial (gain)/loss arising from experience adjustments	63,267	-
Employer contributions	-	69,698
Benefit payments	(2,57,717)	(1,06,043)
As at 31st March 2021	75,14,710	50,00,357



### Statement of Profit and Loss

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Employee Benefit Expenses:</b>		
Current service cost	18,32,961	14,90,479
Interest cost/(income)	1,02,759	66,889
<b>Total amount recognised in Statement of Profit &amp; Loss</b>	<b>19,35,720</b>	<b>15,57,368</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Return on plan assets excluding amounts included in net finance income/(cost)	(8,789)	(25,653)
Actuarial gains/(losses) arising from changes in Demographic assumptions	-	-
Actuarial gains/(losses) arising from changes in financial assumptions	(3,60,748)	31,923
Experience gains/(losses)	1,87,557	63,267
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(1,81,980)</b>	<b>69,537</b>

### Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Financial Assumptions</b>		
Discount rate	6.82%	6.83%
Salary Escalation Rate	6.00%	6.00%

Major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance policies	100%	100%

### Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Particulars	Impact on defined benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	83,01,832	1,01,60,224
Salary Escalation Rate	1.00%	1,02,16,269	82,40,160

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The defined benefit obligations shall mature after year end 31st March, 2022 as follows:

Year ending March 31, 2022	Defined benefit obligation
2023	6,06,485
2024	12,88,793
2025	4,69,353
2026	3,76,203
2027	17,30,404
Thereafter	18,43,131

The weighted average duration of the defined benefit obligation is 16.72



**NAXPAR PHARMA PRIVATE LIMITED**

Notes to standalone financial statements for the year ended 31st March, 2022

(All amounts in INR, unless otherwise stated)

**34 Contingent Liabilities**

	As at March 31, 2022	As at March 31, 2021
<b>Contingent liabilities</b>		
Claims against the Company not acknowledged as debts		
(i) Guarantees given by banks	10,00,000	10,00,000
(ii) liabilities that may arise in respect of disputed matters in relation to Goods and Service Tax	20,91,332	-
(ii) liabilities that may arise in respect of disputed matters in relation to Services Tax	15,54,600	-
(iii) Others	-	-
	<b>46,45,932</b>	<b>10,00,000</b>

Note: - The Company's pending litigations comprise of claims against the Company and proceedings pending with tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

**35 Commitments**

Estimated value of contracts on capital account, excluding capital advances, remaining to be executed and not provided for as on 31st March, 2022 was Rs. 313 Lacs (Previous Year Rs 398 Lacs)

**36 Earning Per share**

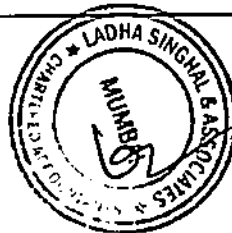
(In Rupees)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit after tax available for equity shareholders	7,71,67,805	76,98,762
Weighted average number of equity shares	50,00,000	50,00,000
Nominal value of equity shares	10	10
Basic and diluted Earning Per Share	15.43	1.54

**37 Net debt reconciliations**

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current borrowings	16,26,32,258	12,08,61,077
Current borrowings (including current maturities)	40,00,94,976	32,11,93,749
	<b>56,27,27,234</b>	<b>44,20,54,826</b>

Changes in liability arising from financing activities	For the year ended March 31, 2022
Net debt as at April 01, 2021	44,20,54,826
Cash flows	12,06,72,408
Borrowing cost	-
Net debt as at March 31, 2022	<b>56,27,27,234</b>



## NAXPAR PHARMA PRIVATE LIMITED

Notes to standalone financial statements for the year ended 31st March, 2022

(All amounts in INR, unless otherwise stated)

### 38 Financial Instruments

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

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

#### As at March 31, 2022

Financial assets	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying amount
Investments	-	-	13,51,000	13,51,000	13,51,000
Trade receivables	-	-	36,84,42,285	36,84,42,285	36,84,42,285
Cash and cash equivalents	-	-	2,91,851	2,91,851	2,91,851
Other bank balances	-	-	1,40,54,118	1,40,54,118	1,40,54,118
Loans	-	-	41,81,271	41,81,271	41,81,271
Other financial assets	-	-	48,84,347	48,84,347	48,84,347
<b>Total</b>	-	-	<b>39,32,04,872</b>	<b>39,32,04,872</b>	<b>39,32,04,872</b>

Financial liabilities	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying amount
Borrowings	-	-	56,27,27,234	56,27,27,234	56,27,27,234
Trade payables	-	-	21,56,12,496	21,56,12,496	21,56,12,496
Others	-	-	8,58,03,545	8,58,03,545	8,58,03,545
<b>Total</b>	-	-	<b>86,41,43,275</b>	<b>86,41,43,275</b>	<b>86,41,43,275</b>

#### As at March 31, 2021

Financial assets	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying amount
Investments	-	-	13,51,000	13,51,000	13,51,000
Trade receivables	-	-	16,46,02,221	16,46,02,221	16,46,02,221
Cash and cash equivalents	-	-	7,97,061	7,97,061	7,97,061
Other bank balances	-	-	1,07,15,807	1,07,15,807	1,07,15,807
Loans	-	-	82,41,441	82,41,441	82,41,441
Other financial assets	-	-	42,15,030	42,15,030	42,15,030
<b>Total</b>	-	-	<b>18,99,22,561</b>	<b>18,99,22,561</b>	<b>18,99,22,561</b>

Financial liabilities	FVOCI	FVTPL	Amortised cost	Total fair value	Carrying amount
Borrowings	-	-	44,20,54,826	44,20,54,826	44,20,54,826
Trade payables	-	-	5,27,28,117	5,27,28,117	5,27,28,117
Others	-	-	5,44,96,994	5,44,96,994	5,44,96,994
<b>Total</b>	-	-	<b>54,92,79,937</b>	<b>54,92,79,937</b>	<b>54,92,79,937</b>

There were no significant changes in classification and no significant movements between the fair value hierarchy classifications of financial assets and financial liabilities during the period.





## NAXPAR PHARMA PRIVATE LIMITED

Notes to standalone financial statements for the year ended 31st March, 2022

(All amounts in INR, unless otherwise stated)

### 39 Financial risk factors

The Company's principal financial liabilities comprise loans and borrowings, advances and trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

#### (A) Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintenance sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the Company.

(I) The following is the contractual maturities of the financial liabilities:

	Carrying amount	Payable on demand	1-12 months	More than 12 months
<b>As at March 31, 2022</b>				
Non-derivative liabilities				
Borrowings	56,27,27,234	25,32,37,081	14,68,57,895	16,26,32,258
Trade payables	21,56,12,496	-	21,56,12,496	-
Other financial liabilities	8,58,03,545	-	8,58,03,545	-
	<b>86,41,43,275</b>	<b>25,32,37,081</b>	<b>44,82,73,936</b>	<b>16,26,32,258</b>

	Carrying amount	Payable on demand	1-12 months	More than 12 months
<b>As at March 31, 2021</b>				
Non-derivative liabilities				
Borrowings	44,20,54,826	20,05,41,677	12,06,52,072	12,08,61,077
Trade payables	5,27,28,117	-	5,27,28,117	-
Other financial liabilities	5,44,96,994	-	5,44,96,994	-
	<b>54,92,79,937</b>	<b>20,05,41,677</b>	<b>22,78,77,183</b>	<b>12,08,61,077</b>

#### (B) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes investment, deposits, foreign currency receivables and payables. The Company's treasury team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

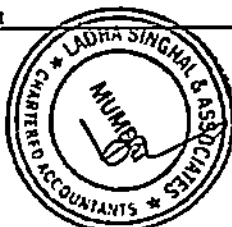
#### (i) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies. The Company is not significantly exposed to the Foreign Currency risk.

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure to Interest rate risk	As at March 31, 2022	As at March 31, 2021
Total borrowings	56,27,27,234	44,20,54,826
% of Borrowings out of above bearing variable rate of interest	98.37%	99.92%



**Interest rate sensitivity**

A change of 50 bps in interest rates would have following impact on profit before tax:

	For the year ended March 31, 2022	For the year ended March 31, 2021
50 bp increase would decrease the profit before tax by	27,67,697	22,08,584
50 bp decrease would increase the profit before tax by	(27,67,697)	(22,08,584)

**(C) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risks from its operating activities, primarily trade receivables, cash and cash equivalents, deposits with banks and other financial instruments.

Credit risk is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Exposure to the Credit risks	As at March 31, 2022	As at March 31, 2021
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
- Trade Receivables	36,84,42,285	16,46,02,221

**Trade and other receivables**

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period.

To assess whether there is a significant change increase in credit risk the Company compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- (iv) Significant increase in credit risk on other financial instruments of same counterparty

**Ageing of the accounts receivables**

	As at March 31, 2022	As at March 31, 2021
< 180 days	36,74,66,096	15,46,05,439
> 180 days	9,76,189	99,96,783
	36,84,42,285	16,46,02,221



**NANPAR PHARMA PRIVATE LIMITED**

Notes to standalone financial statements for the year ended 31st March, 2022

(All amounts in INR, unless otherwise stated)

**40 Financial risk factors**

(a) Capital risk management

The Company's objectives when managing capital are to :

(i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and

(ii) maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may issue new shares, adjust the amount of dividends paid to shareholders etc. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

	As at March 31, 2022	As at March 31, 2021
Total equity	43,50,88,461	37,84,63,967
Net debt (Total borrowings less cash and cash equivalents)	56,24,35,382	44,12,57,764
Total capital (Borrowings and Equity)	1,01,75,23,843	82,01,21,731
Gearing ratio	55.27%	53.40%

(b) Dividends

The Company follows the policy of Dividend for every financial year as may be decided by Board considering financial performance of the company and other internal and external factors enumerated in the Company dividend policy.

**41 Segment Reporting**

The Company's Board of Directors consisting of Managing Director has been identified as the Chief Operating Decision Maker (CODM) as defined under Ind AS 104 "Operating Segments". The CODM evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators. The Company is primarily engaged in the business of Manufacture of Pharmaceuticals, Medicinal products and the management considers these business activities as a single reportable segment.

**42 Related party disclosure under Ind AS 34**

Name of related parties and description of relationship

(a) Holding Company

Parmax Lab Limited

(b) Key managerial personnel

Mr. Prakash M. Shah, Director

Mr. Bajju M. Shah, Director

Mr. Mihir P. Shah, Director

(c) Relative of key managerial personnel

Mr. Binoy B. Shah, Son of Mr. Bajju M. Shah

Mrs. Ami M. Shah, wife of Mr. Mihir P. Shah

Mrs. Niyoshi B. Shah, wife of Mr. Binoy B. Shah

(d) Concerns in which KMP and/or Relatives of KMP is interested

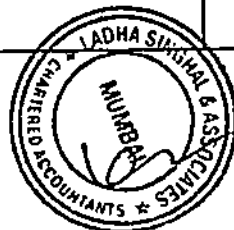
M/s. Nanpar Health Concepts Pvt. Ltd.

M/s. Novomed Pharma Pvt. Ltd.

M/s. Nanpar Medicamentos LLP

Transactions with Related parties

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Sale of Material</b>		
Parmax Lab Ltd.	1,38,64,799	54,02,412
Nanpar Health Concepts Pvt. Ltd.	49,79,938	24,44,906
Nanpar Medicamentos LLP	-	53,46,935
<b>Purchase of Material</b>		
Parmax Lab Ltd.	30,06,997	40,45,973
Nanpar Health Concepts Pvt. Ltd.	84,756	-
<b>Rent Paid</b>		
Mr. Mihir P. Shah	1,98,000	1,98,000
Mrs. Ami M. Shah	4,80,000	4,80,000
Mrs. Niyoshi D. Shah	4,80,000	4,80,000
<b>Salary Paid to Key Management Personnel &amp; to their Relatives</b>		
Mr. Prakash M. Shah	54,00,000	42,00,000
Mr. Bajju M. Shah	54,00,000	42,00,000
Mr. Mihir P. Shah	60,00,000	48,00,000
Mr. Binoy Shah	60,00,000	48,00,000
<b>Interest Paid</b>		
Mr. Mihir P. Shah	95,53,245	79,92,224
Mr. Bajju M. Shah	73,29,060	69,05,232
<b>Loan Taken</b>		
Mr. Mihir P. Shah	3,30,26,330	10,28,00,000
Mr. Bajju M. Shah	4,13,50,000	1,20,00,000
<b>Loan Repaid</b>		
Mr. Mihir P. Shah	2,19,65,000	1,79,82,777
Mr. Bajju M. Shah	1,49,10,000	52,00,000
<b>Deposit given</b>		
Mrs. Ami M. Shah	-	1,00,000



Balances as at

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Salary Payable to Key Management Personnel &amp; to their Relatives</b>		
Mr. Prakash M. Shah	15,51,639	2,17,672
Mr. Bajjo M. Shah	8,68,982	4,15,219
Mr. Mihir P. Shah	8,00,152	8,670
Mr. Binoy D. Shah	20,17,361	6,10,132
<b>Unsecured loan from</b>		
Mr. Bajjo M. Shah	11,58,73,494	8,28,37,340
Mr. Mihir P. Shah	13,73,63,587	11,77,04,337
<b>Unsecured Loan from concern in which KMP and/or Relatives of KMP is interested</b>		
Novomed Pharma Pvt. Ltd.	-	3,38,000
<b>Payable to Concern in which KMP and/or Relatives of KMP is interested</b>		
Naxpar Health Concepts Pvt. Ltd.	1,00,012	-
<b>Receivable from Concern in which KMP and/or Relatives of KMP is interested</b>		
Naxpar Health Concepts Pvt. Ltd.	20,24,156	15,28,311
Naxpar Medicamentos LLP	2,342	17,52,301
<b>Receivable from Holding Company</b>		
Parnax Lab Ltd.	62,82,489	18,24,476
<b>Payable to Key Management Personnel &amp; their Relatives</b>		
Mr. Mihir P. Shah	3,96,000	1,48,500
Mrs. Ami M. Shah	36,000	3,58,000
Mrs. Niyoshi B. Shah	1,18,800	4,42,000
<b>Deposit Given</b>		
Mrs. Ami M. Shah	3,00,000	3,00,000
Mrs. Niyoshi B. Shah	2,00,000	2,00,000



# NAXPAR PHARMA PRIVATE LIMITED

Notes to standalone financial statements for the year ended 31st March, 2022

(All amounts in INR, unless otherwise stated)

## 43 Leases

The Company as a Lessee

The Company's leases primarily consists of leases for land and buildings and offices and equipment. Generally, the contracts are made for fixed periods and does not have a purchase option at the end of the lease term. In a case where the Company has purchase option, the option is exercisable at nominal value and the Company's obligations are secured by the lessor's title to the leased assets for such leases.

### (i) Amounts recognised in the Balance Sheet

The balance sheet shows the following amounts relating to the leases:

	As at March 31, 2022	As at March 31, 2021
<b>Right-of-use assets</b>		
Land & Building	3,55,13,069	3,25,94,457
<b>Total</b>	<b>3,55,13,069</b>	<b>3,25,94,457</b>
<b>Leases Liabilities</b>		
Current	44,85,890	12,63,742
Non Current	3,15,61,495	3,15,52,958
<b>Total</b>	<b>3,60,47,385</b>	<b>3,28,16,700</b>

### Maturity analysis of lease liabilities

	As at March 31, 2022	As at March 31, 2021
Within one year	44,85,890	12,63,742
Later than one year but within five years	56,85,183	43,07,332
Later than five year	2,58,76,312	2,72,45,626
<b>Total</b>	<b>3,60,47,385</b>	<b>3,28,16,700</b>

### (ii) Amounts recognised in the Statement of Profit & Loss

	Note No	As at March 31, 2022	As at March 31, 2021
Depreciation charge of right of use assets	30	26,25,782	11,72,338
Interest expense on lease liabilities (included in finance cost)	29	4,22,180	1,94,404
Expense relating to short term and low value leases (included in other expense)	31	69,32,088	76,96,814

### (iii) Extension and termination option

Extension and termination options are included in various property leases executed by the company. These are used to maximise operational flexibility in terms of managing the assets used in company's operations. Generally, these options are exercisable mutually by both the lessor and the lessee.

## 44 Title deeds of immovable properties not held in the name of the Company

The title deeds of all the immovable properties, (other than those that have been taken on lease) disclosed in the financial statements included in property, plant equipment, are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as non current assets held for sale as at the balance sheet date, the lease agreements are duly executed in favour of the Company, except for the following:

Relevant line item in the Balance sheet	Description of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or their relative or employee	Period held	Reason for not being held in name of Company *
Property, plant & equipment	Land	14,18,000	Ram Gopal	NA	Since 2007	Dispute for the title of the land. Possession is with the Company. Company got decree in their favour from district court



#### 45 Note on Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company's CSR policy intends to focus on certain long term projects which shall include initiatives, inter alia, in the fields of Education, Skill development/Vocational Training, Health Care, Sanitation, Safe Drinking Water, Environment Sustainability, Women Empowerment and Rural Development which will enable creation of a sustainable livelihood in society and better human capital culture. The CSR policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 (as amended) and Schedule VII thereto.

	As at March 31, 2022	As at March 31, 2021
(a) Gross amount required to be spent during the year	3,20,196	6,08,783
(b) Detail of amount spent in Corporate social responsibility		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	30,00,000	10,00,000
<b>Total</b>	<b>30,00,000</b>	<b>10,00,000</b>
Amount of (excess) shortfall at the end of the year	(26,79,804)	(3,91,217)
Total of previous year's (excess) shortfall amounts	(2,00,658)	1,90,559
Nature of CSR activities undertaken by the Company	Contribution to Health, Education and Livelihood	Contribution to Health, Education and Livelihood
Movements in the provision during the year with respect to a liability incurred by entering into a contractual obligation	-	-

#### 46 Borrowings secured against current assets

The Company is having working capital limits from Apna Sahakari Bank Limited and Kotak Mahindra Bank Limited. The quarterly returns or statement of current assets filed by the Company with banks are in agreement with the books of account with minor differences. The summary of reconciliation and reason for material discrepancies is as under :

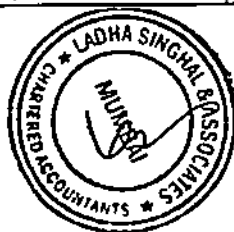
For the quarter ended	Name of Bank	Particulars of Securities Provided	Amount as per books of accounts	Amount reported in the quarterly return /statement	Amount of difference	Reason for material discrepancies
Jun-21	Apna Sahakari Bank Ltd/ Kotak Bank Ltd	Stock	10,45,18,119	10,45,18,119	-	Refer note below
		Book Debts	22,06,02,624	22,38,16,488	(32,13,864)	
		Trade Payables	13,95,04,633	13,63,28,012	31,76,622	
Sep-21	Apna Sahakari Bank Ltd/ Kotak Bank Ltd	Stock	13,58,50,070	13,58,50,070	-	
		Book Debts	24,48,86,215	24,48,86,215	-	
		Trade Payables	15,19,93,316	15,37,59,149	(17,65,833)	
Dec-21	Apna Sahakari Bank Ltd/ Kotak Bank Ltd	Stock	16,08,37,091	16,08,37,091	-	
		Book Debts	39,98,01,516	40,22,39,431	(24,37,915)	
		Trade Payables	29,38,71,518	29,59,34,897	(20,63,379)	
Mar-22	Apna Sahakari Bank Ltd/ Kotak Bank Ltd	Stock	15,97,03,239	15,97,03,239	-	
		Book Debts	35,18,82,634	35,18,82,634	-	
		Trade Payables	22,27,33,975	22,30,78,491	(3,44,516)	

Note : Reason for material differences :

The differences are on account of regrouping and reclassification of trade receivable and trade payable balances including adjustment of advances received / given from / to customers / vendors.

#### 47 Registration of charges or satisfaction with Registrar of Companies (ROC)

Brief description of the charge	Location of Registrar	Due date for filling charge	Reason for delay
Hypothecation of Vehicle	Mumbai, Maharashtra	26 July 2019	Remained unfilled due to oversight



#### 48 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	% of change compared to previous year
Current Ratio*	Current Asstes	Current Liabilities	1.88	0.78	142.87
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.43	0.40	6.07
Debt Service Coverage Ratio*	Earnings Available for Debt Service	Debt Service	1.95	1.42	36.57
Return on Equity (ROE)*	Net Profit After Taxes	Average Shareholder's Equity	18.51%	2.06%	800.39
Inventory Turnover Ratio**	Cost of goods sold	Average Inventory	5.99	3.84	56.17
Trade Receivables Turnover Ratio**	Net Credit Sales	Average Trade Receivable	5.91	4.70	25.81
Trade Payables Turnover Ratio**	Net Credit Purchase	Average Trade Payables	7.19	5.24	37.12
Net Capital Turnover Ratio**	Net Sales	Working Capital	5.29	(9.00)	-158.85
Net Profit Ratio*	Net Profit	Net Sales	4.90%	0.87%	460.38
Return On Capital Employed (ROCE)*	Earning Before Interest and Taxes	Capital Employed	22.99%	9.58%	139.86
Return On Investment (ROI) Unquoted	Income Generated from Investments	Time Weighted Investments	NA	NA	
Quoted	Income Generated from Investments	Time Weighted Investments	NA	NA	

Reasons where the changes is more than 25%

\* Increase in the profit due to increase in the operations during the year has resulted in the change in the ratio

\*\* Increase in the operations during the year has resulted in the change in the ratio.

#### 49 Details of Benami Property Held

No proceedings have been initiated during the financial year or pending as at the end of the financial year against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

#### 50 Relationship with Struck off Companies

The Company has not entered into any transaction during the current or previous financial year with the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and there is no outstanding receivable from / payable to such companies as at the end of year.

#### 51 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the current or preceeding financial year.

#### 52 Utilisation of Borrowed funds and share premium

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other persons or entities, 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 Company (Ultimate Beneficiaries).

The Company has also not received any fund from any parties (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 Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

#### 53 Willful Defaulter

The Company has not been declared as a willful defaulter by any bank or financial institution or other lender in the current or preceeding financial year.



**54 Undisclosed income**

The Company does not 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 Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

**55 Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2022 and 31 March 2021.

**56 Compliance with approved Scheme(s) of Arrangements**

There is no any scheme of Arrangement or Amalgamation initiated or approved by the Board of Directors and / or Shareholders of the Company or competent authority during the year ended 31 March 2022 and 31 March 2021 or in earlier years.

**57 Event after reporting date**

There have been no events after the reporting date.

**58 Recent accounting and other pronouncements :**

**A) New Standards issued or amendments to the existing standard but not yet effective :**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

(a) Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

(b) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its financial statements.

(c) Ind AS 103 - Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

(d) Ind AS 109 - Financial instruments – The amendment clarifies which fees an entity includes when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

**B) other recent pronouncements :**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Employee Benefit Plan. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**59** The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

**60** The financial statements were approved for issue by the Board of Directors on May 30, 2022.

**61** The figures of the previous year's have been regrouped or reclassified wherever necessary to make them comparable.

As per our report of even date

For Ladha Singhal and Associates

Chartered Accountants

Firm's Registration No : 120241W

(Vinod Ladha)

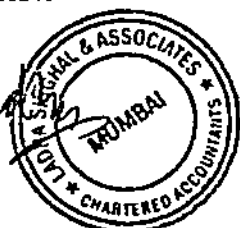
Partner

M. No. 104151

UDIN : 22104151AKBICU4211

Place : Mumbai

Date : 30th May, 2022



For and on behalf of the Board of Directors of Naxpar Pharma Private Limited

Prakash M. Shah

(Whole Time Director)

DIN 00440980

Baiju M. Shah

(Whole Time Director)

DIN 00440806