41ST ANNUAL REPORT 2021-2022

GUJARAT THEMIS BIOSYN LIMITED

Message from Chairman:

Dear Stakeholders,

It gives me pleasure to address you all at the onset of the new fiscal year. To begin with, I would like to convey my gratitude to all our stakeholders, partners and employees for their continuous support in our journey. Our mission has always been to provide reliable, safe, and affordable products, thus helping people to live healthier lives.

The last financial year was also affected by COVID-19, especially during the initial months when the second wave of the pandemic hampered public health and industries. While markets have been recovering gradually since then, the importance and focus on healthcare has come to the forefront. Your Company continued to take necessary steps such that its activities were carried on without any major problems, while ensuring the safety of its employees.

The change in business model undertaken during the financial year 2019- 20 continued to benefit our performance in terms of top line and profit margins. During the year ended 31st March 2022, we reported Rs. 114.85 cr in revenue, a growth of 26.82% YoY, while EBITDA and PAT grew 43.93% and 44.55% YoY to Rs. 58.05 cr and Rs. 43.62 cr, respectively. Better access to the markets and improved operational efficiencies offset the impact of raw material prices and power costs, leading to healthier margins.

The past year also witnessed our strategic de-coupling with Yuhan Corporation. Yuhan had been our strategic partner since several years and it was a fruitful association. However, going forward, this de-coupling was seen as a mutually beneficial arrangement, enabling us to better draw our future growth plans.

While our product portfolio presently comprises of Rifamycin-O and Rifamycin-S, we are concentrating substantially in R&D and product development. I am happy to share that we have some new products under development that we expect to launch in the market in the future.. These would address new therapeutic areas in line with our motto to improve public health. Moreover, to capitalize on the anticipated growth opportunities, we are striving to expand our capacities in the short- medium-term future.

As per industry estimates, the Indian pharmaceutical market is forecast to grow three-fold over the next decade. With a competent leadership team, and a skilled and dedicated workforce, we are optimistic for the opportunities that the new fiscal is expected to bring, which would take your Company to new heights.

I would like to take this opportunity to thank each member of the GTBL family. I would also like to thank our Customers, Creditors, Banks, Financial Institutions and other Stakeholders. Their faith in us and their continued support makes it easier for us to perform well, excel and prosper.

Yours sincerely,
Sd/-
Dr. Dinesh S. Patel
Chairman

CORPORATE INFORMATION

Board Of Directors

Dr. Dinesh S. Patel
Chairman (Non-Executive & Promoter)
Dr. Sachin D. Patel
Director (Non-Executive & Promoter)
Mr. Vijay Agarwal
Director (Non-Executive & Independent)
Mrs. Preeti K. Trivedi
(Upto 2nd May, 2021)
Director (Non-Executive & Independent)
Mrs. Kirandeep Kaur Madan
(W.e.f. 1st May, 2021)
Director (Non-Executive & Independent)
Mr. Namjin Seung Park
(Upto 14th May, 2021)
Director (Non-Executive Representative of Yuhan Corpn.)
Dr. Vikram D. Sanghvi
Director (Non Executive & Independent)
Mr. Siddharth Y. Kusumgar
Director (Non Executive & Independent)
Dr. Taejin Yoon
(W.e.f. 4th June, 2021)
Director (Non-Executive Representative of Yuhan Corpn.)
(Upto 18th September, 2021)
Director (Non-Executive Representative of Yuhan Corpn.)
Mr. Han Kon Kim
(Upto 18th September, 2021)
Director (Non-Executive Director)
(Alternate to Mr.Namjin Seung Park)
Mr. Hinesh Doshi
(Upto 14th May, 2021)
Director (Non-Executive Director)
(Alternate to Mr. Namjin Seung Park)
(W.e.f. 4th June, 2021)
Director (Non-Executive Director)
(Alternate to Dr. Taejin Yoon)

(Upto 18th September, 2021)
Director (Non-Executive Director)
(Alternate to Dr. Taejin Yoon)
Mr. Jagdish G. Kaujalgi
Chief Executive Officer
Mr. Bharat Desai
Chief Financial Officer
Mr. Parag K. Bodha
(Upto 11th May, 2021)
Company Secretary & Compliance Officer
Mr. Rahul D. Soni
(W.e.f. 12th May, 2021)
Company Secretary & Compliance Officer

Audit Committee

Mr. Vijay Agarwal, Chairman
Mrs. Preeti K. Trivedi, Member
Upto 2nd May, 2021
Dr. Sachin D. Patel, Member
Mr. Siddharth Y. Kusumgar, Member
Dr. Vikram D. Sanghvi, Member

Nomination and Remuneration Committee

Mr. Vijay Agarwal, Chairman
Mrs. Preeti K. Trivedi, Member
upto 2nd May, 2021
Dr. Sachin D. Patel, Member
Mr. Siddharth Y. Kusumgar, Member
w.e.f. from 28th May 2021

Stakeholders Relationship Committee

Dr. Sachin D. Patel, Chairman
Mr. Vijay Agarwal, Member
Dr. Dinesh S. Patel, Member

Corporate Social Responsibility Committee

Dr. Dinesh S. Patel, Member
Dr. Sachin S. Patel, Member
Dr. Vikram D. Sanghvi, Member

Bankers

Union Bank Of India

Registered Office and Works

Plot No. 69-C, G.I.D.C. Industrial Estate,
Vapi, Dist-Valsad,
Gujarat - 396 195.

Listing

BSE Limited (BSE)

Statutory Auditors

M/s. GMJ & Co.
Chartered Accountants,
Mumbai

Internal Auditors

R P Sardar & Co.
Chartered Accountants,
Mumbai

Secretarial Auditors

HSPN & Associates LLP.
Practicing Company Secretaries

Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.
C 101, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai - 400078.
Tel.: 022-49186270
Fax: 022-49186060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.com

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the **41st Annual General Meeting** of Gujarat Themis Biosyn Limited will be held on, **Wednesday, 7th September 2022 at 12:00 Noon** through Video Conferencing('VC")/Other Audio Visual Means ("OAVM") to transact the following business :–

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Dr. Sachin D. Patel (DIN: 00033353) who retires by rotation and being eligible, offers himself for re-appointment.

3. To confirm the payment of Interim Dividend and to declare Final Dividend on Equity Shares for the Financial Year ended 31st March, 2022.

4. To appoint Statutory Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. GMJ & Co., Chartered Accountants (Firm Registration No. 103429W), be and are hereby re-appointed for a further period of five consecutive years as Statutory Auditors of the Company, to hold office from the conclusion of 41st Annual General Meeting (AGM) until the conclusion of the 46th AGM and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration (plus applicable taxes) for the said period and permit reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties."

SPECIAL BUSINESS

5. **Ratification of Remuneration to Cost Auditor for FY 2020- 2021.**

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

   "RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment hereof, for the time being in force), remuneration of Rs. 45000/- plus applicable taxes and reimbursement of out of pocket expenses (at actuals), as approved by the Board of Directors of the Company, paid to M/s. Raja Datta & Co., Cost Accountants (Firm Registration No. 101555) Mumbai, conducting the cost audit of the cost accounts maintained by the Company in respect of API activities for the financial year ended 31st March, 2021 respectively, be and is hereby ratified."

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

6. **Ratification of Remuneration to Cost Auditor for FY 2021-22.**

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

   "RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment hereof, for the time being in force), remuneration of Rs. 45,000/- plus applicable taxes and reimbursement of out of pocket expenses (at actuals), as approved by the Board of Directors of the Company, payable to M/s. Raja Datta & Co., Cost Accountants (Firm Registration No. 101555) Mumbai, conducting the cost audit of the cost accounts maintained by the Company in respect of API activities for the financial year ended 31st March, 2022, be and is hereby ratified."

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

7. **Ratification of Remuneration to Cost Auditor for FY 2022-23.**

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

   "RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment hereof, for the time being in force), remuneration of Rs. 45,000/- plus applicable taxes and reimbursement of out of pocket expenses (at

actuals), as approved by the Board of Directors of the Company, payable to M/s. Raja Datta & Co., Cost Accountants (Firm Registration No. 101555) Mumbai, conducting the cost audit of the cost accounts maintained by the Company in respect of API activities for the financial year ended 31st March, 2023, be and is hereby ratified."

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

8. **Continuation of Dr. Dinesh S Patel as Non- Executive Director on attaining the age of Seventy Five years.**

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

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions if any, consent of the members be and is hereby accorded for continuation of Directorship beyond the age of 75 years of Dr. Dinesh S. Patel (DIN: 00033273) as a Non- Executive & Non- Independent Director ,Chairman of the Company liable to retire by rotation, notwithstanding that on 2nd November, 2023, he attains the age of 75 years.

9. **To adopt new set of Articles of Association as per Companies Act, 2013.**

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee), the consent of the members of the Company be and is hereby accorded to adopt new set of Article of Association in place of existing Articles of Association of the Company, copy of which is placed before the meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Registered Office
69/C, GIDC Industrial Estate,
Vapi- 396 195
Dist. Valsad, Gujarat
CIN: L24230GJ1981PLC004878

Sd/-
Rahul D. Soni
Company Secretary & Compliance Officer
Membership. No. A61305

Place: Mumbai
Date: 27th July, 2022

NOTES:

1. Pursuant to the General Circular numbers 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 2/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022, issued by the Ministry of Corporate Affairs (MCA) and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79, dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. In compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies, Act 2013 (the Act)
4. At present M/s. GMJ & Co., Chartered Accountants (Firm Registration No. 103429W) are the present Statutory Auditors of the Company and holds office till the conclusion of the ensuing Annual General Meeting. It is proposed and recommended to the shareholders to re-appointment GMJ & Co., Chartered Accountants as statutory audit of the Company for second term of further period of five years i.e. financial year 2022 to 2027 i.e. from conclusion of 41st Annual General Meeting until the conclusion of 46th Annual General Meeting.

   The ratification of their appointment pursuant to Section 139 of the Companies Act, 2013 is not required in terms of notification no. SO 1833(E) dated 7th May, 2018 issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of this AGM Notice.
5. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
6. Institutional/Corporate members Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution / Authorisation etc., authorising its representative to attend the Annual General Meeting through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution /Authorization shall be sent to the RTA by email at instameet@linkintime.co.in through their registered email address to with copies marked to the Company at secretary@gtbl.in.net.
7. In terms of Section 152 of the Companies Act, 2013, Dr. Sachin D. Patel (DIN: 00033353) , Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.
8. The details of the Directors seeking re-appointments under item nos. 2 of this Notice, is annexed hereto in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings.
9. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business to be transacted at the meeting, as mentioned in the Notice, is annexed hereto and forms part of this.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
12. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Tuesday, 30th August, 2022, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or rnt.helpdesk@linkintime.co.in

13. **Registration of email ID and Bank Account details:**

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

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

    instructions to be followed:

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

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

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

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

14. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the 41st AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.gtbl.in, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com, and on the website of CDSL at www.evotingindia.com. Members who have not registered their email address with the Company can register the same by following the procedure as mentioned above in point 13. Post successful registration of email address, the member will receive the soft copy of the Notice of AGM and Annual Report.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Link Intime (Company's Registrar and Share Transfer Agent) and complete their KYC formalities as mandaded by law. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

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

17. The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, 31st August, 2022 to Wednesday, 7th September 2022 (both days inclusive) for the purpose of AGM and determining the names of the Members eligible for payment of dividend for the financial year 2021-22, if declared at the AGM.

18. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made within 30 days of AGM i.e. on/after 7th September 2022 as under:

    a. To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories" whose names appear as beneficial owners as at the end of the business hours on Tuesday, 30th August 2022.

    b. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Tuesday, 30th August 2022.

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

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

20. For Resident Shareholders:

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

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

No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received

by them during FY 2021 does not exceed 5,000 and also in cases where members provide valid Form 15G/ Form 15H as subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. Shareholder may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. PAN is mandatory for members providing Form 15G/15H or any other document as mentioned above.

For Non-resident shareholders:

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

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the shareholder
- Copy of Tax Residency Certificate (TRC) for the FY 2022 obtained from the revenue authorities of the country of tax residence, duly attested by shareholder
- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by shareholder.

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

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

The aforementioned documents are required to be submitted to Link Intime (India) Private Limited or the Company before Tuesday, 30th August, 2022.

21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members through CDSL e-voting system at www.evotingindia.com in respect of the business to be transacted at the AGM. The Company has engaged the services of Link Intime India Private Limited as the Agency to provide e-voting facility, for participation in the 41st AGM through VC/OAVM Facility and e-Voting during the 41st AGM.

22. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

23. The Board of Directors of the Company has appointed CS Ketan R. Shirwadkar (ACS 37829) or failing him, CS Prakash Nagringrekar (ACS 5941), Designated Partners of HSPN & Associates LLP, Practicing Company Secretary, Mumbai as Scrutinizer to scrutinize the remote e-voting and E-voting at meeting process in a fair and transparent manner and he/she has communicated his/her willingness to be appointed and will be available for same purpose.

24. All correspondence relating to transmission of shares, change of address, dividend mandates etc. quoting their folio numbers should be sent to the Registrar & Transfer Agents (R&T Agents) only at their address: LINK INTIME INDIA PRIVATE LIMITED, C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West),Mumbai 400083, Maharashtra, Tel: +91 22 49186200; Fax: +91 2224918619 Website: www.linkintime.co.in Email: rnt.helpdesk@linkintime.co.in

25. Instructions for shareholders voting electronically are as under:

(i) The voting period begins on **Sunday, 4th September, 2022 at 9:00 am** and ends on **Tuesday 6th September, 2022 at 5:00 pm.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Tuesday, 30th August, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available in www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with **NSDL**	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26. Procedure for attending the Forty-First AGM Through VC / OAVM:

The Company is pleased to provide its members, the facility to attend the 41st Annual General Meeting THROUGH VC / OAVM. For this purpose, the Company has availed the INSTAMEET and INSTAVOTE services of M/s Link Intime India Private Limited for facilitating its members to participate at the AGM and cast their votes electronically.

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

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

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

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

- Select the "Company" and 'Event Date' and register with your following details: -
  - A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
    - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
    - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
    - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
  - B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. Mobile No.: Enter your mobile number.
  - D. Email ID: Enter your email id, as recorded with your DP/Company.
- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

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

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

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

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

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

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

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

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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

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

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

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

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

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

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

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

or

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

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

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

29. The shareholders can also access the Annual Report 2021-22 circulated to the Members of the Company and other information about the Company on Company's website i.e. www.gtbl.in or on Stock Exchange websites i.e. www.bseindia.com.

By Order of the Board of Directors

Registered Office
69/C, GIDC Industrial Estate,
Vapi- 396 195
Dist. Valsad, Gujarat
CIN: L24230GJ1981PLC004878

Sd/-
Rahul D. Soni
Company Secretary & Compliance Officer
Membership. No. A61305

Place: Mumbai
Date: 27th July, 2022

ANNEXURE TO NOTICE

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

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

Item No. 5:

Ratification of Remuneration to Cost Auditor for FY 2020- 2021.

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

The Board, on the recommendation of the Audit Committee, has approved in its 193rd meeting held on 20th May, 2022, the appointment of M/s. Raja Datta & Co., Cost Accountants (Firm Registration No. 101555), Mumbai, at a remuneration of ₹ 45,000/-(Rupees forty-five thousand only) per annum (plus applicable taxes) and reimbursement of out of pocket expenses, if any, in connection with the Cost Audit of the Company for the financial years 2020-21.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 5 of the Notice.

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

Item No. 6:

Ratification of Remuneration to Cost Auditor for FY 2021-22.

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

The Board, on the recommendation of the Audit Committee, has approved in its 188th meeting held on 1st May, 2021, the appointment of M/s. Raja Datta & Co., Cost Accountants (Firm Registration No. 101555), Mumbai, at a remuneration of ₹ 45,000/-(Rupees forty-five thousand only) per annum (plus applicable taxes) and reimbursement of out of pocket expenses, if any, in connection with the Cost Audit of the Company for the financial years 2021-22.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 6 of the Notice.

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

Item No .7

Ratification of Remuneration to Cost Auditor for FY 2022-23.

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

The Board, on the recommendation of the Audit Committee, has approved in its 193rd meeting held on 20th May, 2022, the appointment of M/s. Raja Datta & Co., Cost Accountants (Firm Registration No. 101555), Mumbai, at a remuneration of ₹ 45,000/-(Rupees forty-five thousand only) per annum (plus applicable taxes) and reimbursement of out of pocket expenses, if any, in connection with the Cost Audit of the Company for the financial years 2022-23.

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

The Directors recommend the above resolution for passing by the shareholders

Item No. 8:

Continuation of Dr. Dinesh S Patel as Non- Executive Director on attaining the age of Seventy Five years.

Dr. Dinesh S. Patel, 73 years, Chairman of the Company is currently Non-Executive & Non-Independent Director of the Company. He will be attaining the age of 75 years on 2nd November 2023. As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Directorship of any person as a Non-Executive Director who has attained the age of 75 years cannot be continued unless a special resolution to that effect is passed by the members.

Dr. Dinesh S. Patel has been associated with the Company since more than 30 years and has contributed immensely for the growth and development of the Company. He continues to contribute with his core experience and also provides wise counsel to the management in the business affairs. He is having sound mental and physical health and it would be in the interest of the

company to continue to avail his valuable expertise and core competence. He has expressed his willingness to continue as Non-Executive Director beyond 75 years of age.

Besides Dr.Dinesh Patel, Dr. Sachin D. Patel, Ms. Reena S. Patel, are deemed to be concerned or interested in the resolution set out at Item no. 8. No other directors and/or Key Managerial Personnel of the Company and their relatives, are deemed to be concerned or interested in the resolution, financially or otherwise.

The Board recommends the special resolution at item no. 8 of accompanying notice for approval of members of the company

Item No. 9:

To adopt new set of Articles of Association as per Companies Act, 2013.

The Articles of Association ("AOA") of the Company as presently in force require alteration to bring them in conformity with the changes in Companies Act, 2013 and other applicable laws. Therefore, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The new AOA to be substituted in place of existing AOA are based on Table-F of the Companies Act, 2013 which sets out the model Articles of Association for a company limited by shares.

The new set of AOA to be substituted in place of the existing AOA. Copy of the draft Articles of Association of the Company would be available for inspection by the members at the Registered Office/ Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. upto and including the date of AGM.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

By Order of the Board of Directors

Registered Office
69/C, GIDC Industrial Estate,
Vapi- 396 195
Dist. Valsad, Gujarat
CIN: L24230GJ1981PLC004878

Sd/-
Rahul D. Soni
Company Secretary & Compliance Officer
Membership. No. A61305

Place: Mumbai
Date: 27th July, 2022

ANNEXURE TO ITEM NO. 2 OF THE NOTICE

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

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

Name of the Director	**Dr. Sachin D. Patel**
Date of Birth	18/01/1975
Nationality	Indian
Date of Appointment on the Board	25/10/2008
Qualifications	PH.D. CChem., University of Cambridge. (U.K.)
Expertise in specific functional Area	Business Development
Number of shares held in the Company	7100
List of the directorships held in other companies*	1. Gujarat Themis Biosyn Ltd 2. Artemis Biotech Limited. 3. Pharmaceutical Business Group (India) Ltd.
Number of Board Meetings attended during the year	5
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	**Chairman** a) Audit Committee – Nil b) Stakeholder Relationship Committee – Gujarat Themis Biosyn Ltd. **Member** a) Audit Committee – Themis Medicare Ltd, Gujarat Themis Biosyn Ltd. b) Stakeholder Relationship Committee – Themis Medicare Limited
Relationships between Directors inter-se	Dr. Sachin D. Patel is son of Dr. Dinesh S. Patel, Chairman.
Remuneration details	Nil

BOARD'S REPORT

The Members,

Gujarat Themis Biosyn Limited

Your Directors have pleasure in presenting herewith the 41st Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2022.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS:

The Company's performance during the year ended 31st March, 2022 as compared to the previous financial year, is summarized below:

(₹ in Lakhs)

Particular	For the financial year ended 31st March, 2022	For the financial year ended 31st March, 2021
Income	11,890.40	9,382.93
Less: Expenses	5,986.95	5,294.74
Profit/ (Loss) before tax	5,903.45	4,088.19
Current Tax	1,533.80	1,057.61
Deferred tax	7.24	12.62
Adjustment of tax relating to earlier periods	-	-
Profit after Tax	4,362.42	3,017.97

b. OPERATIONS:

Your Company is in the business of manufacturing and sale of finished Active Pharmaceutical Ingredients (API) products by fermentation process.Your Company's performance during the year in terms of Turnover and Profit was substantially better than the previous year. The change in business model made three years ago which was reported earlier has continued to help the Company to report a good financial performance.

During the period, sale of finished products recorded at ₹ 11,419.17Lakhs (previous year ₹ 9042.50 Lakhs) registering increase in sale. The Net Profit after tax recorded by the Company for the year under review is ₹ 4,362.42 Lakhs as compared to net profit of ₹ 3,017.97 Lakhs during previous year registering an increase of 30.82%.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and as on the date of the report.

c. SUBSIDIARIES

The Company does not have any subsidiary.

d. ASSOCIATES

The Company does not have any Associate Company.

e. DIVIDEND

At the Board meeting held on 11th November 2021, the Board had declared an interim dividend of ₹ 7/-(Rupees Seven only per share) (140%) i.e. *(₹ 2 plus an additional ₹ 5 on the completion of forty years of establishment of the Company)*. Total dividend payout was ₹10.17 Crore.

Your Directors are pleased to recommend a final dividend of ₹ 4/- per share for the Financial year 2021-22. Total dividend payout was ₹5.81Crore.

f. TRANSFER TO RESERVES:

Your Board has not recommended transfer of any amount of profit to reserves during the year under review.

g. REVISION OF FINANCIAL STATEMENT:

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

h. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 (the Act) and the Companies (Acceptance of Deposits) Rules, 2014.

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

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

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

The Board has received declaration from the Independent Directors under section 149(6) of the Companies Act, 2013 that they are not otherwise disqualified to be Independent Directors. The Board further States that all the Independent Directors are persons of integrity and possesses relevant expertise and experience to discharge their duties and roles as Independent Directors of the Company.

4. STATEMENT UNDER SECTION 178:

Your Company has constituted Nomination and Remuneration Committee as well as Stakeholders Relationship Committee as prescribed contemplated under section 178(1) of the Companies Act, 2013. The Nomination and Remuneration Committee considers that the Qualifications, Experience and positive attributes of the Directors on the Board of the Company are sufficient enough to discharge their duties as such.

During the financial year 2021-22, the Company has paid sitting fees to the Independent Directors for attending Board meetings, Audit Committee Meetings and also for Separate Independent Directors' Meeting.

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

5. BOARD'S EXPLANATION ON AUDITORS' REPORTS:

I. Explanation on Statutory Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditors in respect of financial statements as on and for the year ended 31st March, 2022.

II. Explanation on Secretarial Auditors' Report

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates the Company to obtain Secretarial Audit Report from Practicing Company Secretary. M/s. HSPN & Associates LLP, Practicing Company Secretaries were appointed to conduct Secretarial Audit and issue Report for the financial year 2021-22

Secretarial Audit Report issued by M/s. HSPN & Associates LLP, Practicing Company Secretaries in Form MR-3 for the financial year 2021-22 forms part to this report. The report of the secretarial Auditor is annexed to this report as **Annexure II**. The Secretarial Audit report for the financial year 2021-22.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments, covered under the provisions of Section 186 of the Act are given in Notes to the Financial Statements.

7. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The Company in the ordinary course of its business, enters into transactions for purchase and sale of goods, materials & services, other obligations from 'Related Parties' within the meaning of Section 2(76) of the Act and Regulation 23 of the SEBI (LODR), Regulations, 2015.

Contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. All related party transactions were placed for the approval before the Audit Committee / Board / Shareholders wherever necessary in compliance with the provisions of the Act and Listing Regulations. During the year, the Company has not entered into any contracts/arrangements/transactions with related parties which could be considered material in accordance with policy of the Company on material related party transactions or under section 188(1) of the Act. Accordingly, there are no particulars to report in Form AOC-2.

The details of the transactions with related parties are also provided in the accompanying financial statements.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

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

8. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS.

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

9. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL.

During the financial year 2021-22 no orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

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

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

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

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

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

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information is provided as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

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

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

14. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL.

CHANGES IN BOARD OF DIRECTORS.

1) In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Dr. Sachin D. Patel (DIN: 00033353), Director of the Company, retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible offers himself for re-appointment. The Board recommends to the members the re-appointment of Dr. Sachin D. Patel (DIN: 00033353) as Director in the ensuing Annual General Meeting of the Company.

   Necessary ordinary Resolution for the reappointment of Dr. Sachin D. Patel (DIN: 00033353) is included in the Notice convening the ensuing Annual General Meeting.

2) Mrs. Preeti Trivedi, Independent Director resigned w.e.f. 02nd May, 2021.
3) Mrs. Kirandeep Madan was appointment as alternate Director in the category of Independent Director with effect from 01st May, 2021 and appointed as Independent Women Director at the 40th Annual General Meeting held on 17th September, 2021.
4) Mr. Namjin Park, Non –Executive Directors resigned w.e.f. 14th May, 2021.
5) Mr. Hinesh Doshi being Alternate Director to Mr. Namjin Park ceased to be Director consequent to the resignation of Mr. Namjin Park resignation w.e.f. 14th May, 2021
6) Mr. Taejin Yoon was appointed as Additional Ddirector in the category of Non- Executive Non Independent Director w.e.f. 04th June, 2021 and appointed as director at 40th Annual General Meeting held on 17th September, 2021.
7) Mr. Hinesh Doshi as an Alternate Director to Mr. Taejin Yoon w.e.f. 04th June, 2021.
8) Mr. Han Kon Kim, was appointed as Director at the 40th Annual General Meeting held on 17th September, 2021
9) Mr. Han Kon Kim, Non –Executive Director resigned w.e.f.18th September, 2021.
10) Dr. Taejin Yoon, Non-Executive Director resigned w.e.f 18th September, 2021.
11) Mr. Hinesh Doshi being alternate Director to Dr. Taejin Yoon ceased to be Alternate Director consequent along with the resignation of Dr. Taejin Yoon resignation w.e.f. 18th September, 2021.

There were no other changes in Directors during the year.

CHANGES IN KEY MANAGERIAL PERSONNEL

1. Mr. Parag Bodha, Company Secretary and Compliance Officer resigned w.e.f. 11th May, 2021.
2. Mr. Rahul Soni was appointed as Company Secretary and Compliance Officer W.e.f. 12th May, 2021.

There were no other changes in Key Managerial Personnel during the year.

BOARD MEETINGS:

The Board of Directors met five times during the financial year ended on 31st March, 2022 in accordance with the provisions of the Companies Act, 2013 and rules made there under.

The Meetings of the Board of Directors are held at regular intervals of not more than one hundred and twenty days. These are generally scheduled well in advance. The Board meets at least once a Quarter to review the Performance and Financial Results of the Company. All the major decisions are taken at the Board meeting wherein Directors are provided with all material information. The Senior Executives of the Company are invited to attend the Board meeting and provide clarifications as and when required.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2022, the Board of Directors hereby confirms that:

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

ii) such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for that year;

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

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

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

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

COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with the requirement of applicable laws, the Company has following Committees of the Board as on 31st March, 2022:

i. Audit and Risk Management Committee
ii. Stakeholders Relationship Committee
iii. Nomination and Remuneration Committee
iv. Corporate Social Responsibility Committee

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

VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

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

As per SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 which amends SEBI (Prohibition of Insider Trading) Regulation, 2015, the listed company shall have a whistle blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

Considering the above amendment in SEBI (PIT) Regulations, 2015, the Vigil Mechanism Policy of the Company was amended with effect from 01st April, 2019 to enable employees to report instances of leak of unpublished price sensitive information.

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

The said Policy is available on the website of the Company at http://www.gtbl.in/wp-content/uploads/2019/04/GTBL-Vigil-Mechanism-or-Whistle-Blower-Policy.pdf

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

RISK MANAGEMENT:

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

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Gujarat Themis Biosyn Limited CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure III** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. This Policy is available on the Company's website at http://www.gtbl.in/wp-content/uploads/2019/11/GTBL-Revised-CSR-Policy.pdf

ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

Provision of the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

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

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

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

In a separate meeting of Independent Directors, performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views other non-executive directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

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

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

The Company has not paid any remuneration to the Directors during the financial year 2021-22 and hence disclosure under this section is not applicable.

However, in respect of Key Managerial Personnel the disclosure is attached as **Annexure IV.**

15. AUDITORS:

STATUTORY AUDITORS

M/s. GMJ & Co., Chartered Accountants (Firm Registration No.103429W) the Statutory Auditors of the Company, will hold office till the conclusion of the Forty-First Annual General Meeting of the Company. The Board has recommended the re-appointment of M/s. GMJ & Co., Chartered Accountants as the statutory auditors of the Company, for a second term of five consecutive years, from the conclusion of the Forty-First Annual General Meeting scheduled to be held in the year 2022 till the conclusion of the Forty-Sixth Annual General Meeting to be held in the year 2027, for approval of shareholders of the Company, based on the recommendation of the Audit Committee.

The Ministry of Corporate Affairs (MCA), vide its commencement Notification No. SO 1833(E) dated 7th May, 2018, has notified and amended the relevant provision of the Companies Act, 2013 relating the requirement of placing the matter relating to ratification of appointment of Statutory Auditors by members at every Annual General Meeting. The said amendment has done away with the requirement of Ratification of appointment of the Statutory Auditors. Therefore, M/s. GMJ & Co., Chartered Accountants will continue to hold office till conclusion of the 46th AGM and their appointment will not be subject to ratification by the members at every intervening AGM held after 41st AGM.

16. OTHER DISCLOSURES:

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

a. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on 31st March, 2022 is available on the Company's website on https://www.gtbl.in

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

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

c. **CORPORATE GOVERNANCE**

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

d. **PREVENTION OF SEXUAL HARASSMENT:**

During the financial year ended 31st March, 2022 your Company has not received any complaint related to sexual harassment.

e. **COST RECORDS**

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

f. **SECRETARIAL STANDARDS:**

The Company has complied with the applicable Secretarial Standard, as issued by the Institute of Company Secretaries of India and notified by the Central Government.

g. **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and as on the date of the report.

17. **MANAGEMENT DISCUSSION & ANALYSIS:**

Cautionary Statement:

The statements in the “Management Discussion and Analysis Report” describe your Company's objectives, projections, estimates and expectations which may be “forward-looking statements” within the meaning of the applicable laws and regulations. The actual results could differ materially from those expressed or implied, depending upon the economic and climatic conditions, government policies, taxation and other laws and other incidental factors.

Financial Overview:

The financial performance of the Company for the financial year ended 31st March, 2022, is as follows:

Total revenue from operations stood at ₹114.85 Crores for the year ended 31st March, 2022, as against ₹ 90.56 Crores for the corresponding previous period, an increase of 26.82%.

The cost of raw materials incurred for the financial year ended 31st March, 2022 was ₹ 21.75 Crores as against ₹15.75 Crores for the corresponding previous period.

The EBIDTA (earnings before interest, depreciation and tax, excluding other income) was ₹ 58.05 Crore for the year ended 31st March, 2022, as against ₹ 40.33 Crore for the corresponding previous period, an increase of 43.93%.

The finance cost for the financial year ended 31st March, 2022 was ₹ 0.83 Crore as against ₹ 0.98 Crore for the corresponding previous period.

The PAT (profit after tax) was ₹ 43.62 Crores for the year ended 31st March, 2022, as against ₹ 30.18 Crores for the corresponding previous period, an increase of 44.55%.

Resources and Liquidity:

The cash and cash equivalents at the end of 31st March, 2022 were ₹ 0.46 Crore. The net debt to equity ratio of the Company stood at 0.0 (zero debt) as on 31st March, 2022.

Business category wise performance:

The Company operates in one segment i.e. pharmaceuticals. The results of the Company under review depict business growth during the period. The Company is presently manufacturing Rifamycin S, which is an intermediate for manufacturing the drug Rifampicin (an Antibiotic used for the treatment of several types of bacterial infections, including tuberculosis, Mycobacterium avium complex, leprosy, and Legionnaires' disease.) and Rifamycin O, which is an intermediate for

manufacturing the drug Rifaximin (this is an Antibiotic used for treatment of traveler's diarrhea, irritable bowel syndrome, and hepatic encephalopathy).

Risks & Concerns:

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

Policy Changes

Adverse changes in government policies with respect to essential medicines and pricing with respect to the products may impact margins of the Company.

Credit Risk

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

Competition Risk

Like in most other industries, growth opportunities lead to a rise in competition. We face different levels of competition, from domestic as well as Chinese companies. GTBL has created strong differentiators in execution, quality and delivery which make it resilient to competition. Furthermore, the Company intends to focus on investing in R&D and its people to maintain a competitive edge. Stable and long-standing client relationships further help maintain a strong order book and insulate the Company from this risk. We also mitigate this risk with the quality of our infrastructure and specialized fermentation-based methodologies, coupled with prudent financial and human resources management and better control over costs.

Input Cost Risk

Our profitability and cost effectiveness are affected by changes in the prices of raw materials, power and other input costs.

OPPORTUNITIES & THREATS:

Opportunities

Growth in Pharma Sector

The Indian pharmaceutical industry ranks third globally for pharma production by volume and 14th by value. The nation has been a well established domestic industry and is one of the largest producers of vaccines worldwide, accounting for about 60% of total vaccines as of 2021.

The Indian pharma sector is forecast to grow at a CAGR of 22.4% in the near future, and reach US$130 billion by 2030. With rising income levels, growing health awareness and better access to healthcare, markets such as India offer significant growth potential for the pharmaceutical industry.

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

Source:https://www.ibef.org/download/1659942652_Pharmaceuticals-June_2022.pdf

https://www.ibef.org/industry/pharmaceutical-india.aspx

Government Initiatives

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

For instance, in June 2021, the Finance Minister announced an additional outlay of ₹ 197,000 crore (US $26,578.3 million)

that will be utilized over five years for the pharmaceutical PLI scheme in 13 key sectors such as active pharmaceutical ingredients, drug intermediaries and key starting materials.

Source: https://www.ibef.org/industry/pharmaceutical-india.aspx

Threats

Threat from Global Competitors

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

Threat from Impact of COVID-19

While the pandemic has spurred demand for specific pharma products in India and globally, the lockdowns to contain the virus have also hampered production and logistics operations to some extent.

Internal control system and adequacy:

The Company ensures the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

The Statutory Auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit Committee of the Board. Other statutory requirements especially, in respect of pharmaceutical business are also vigorously followed in order to have better internal controls over the affairs of the Company.

Outlook:

The overall healthcare sector in India is one of the fastest growing sectors, expected to cross US$ 372 billion in 2022. Pharmaceuticals and biotechnology would be at the forefront of this growth.

To complement domestic growth, the pharma sector is also witnessing increasing exports, as India is becoming one of the key sources for such products worldwide. Indian drug and pharma exports grew from US$24.44 billion in FY21 to US$24.60 billion in FY22.

Medicine spending in India is also forecast to rise 9-12% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. In line with this, the API market is witnessing a steady growth in terms of volumes and value worldwide. The global API market is expected to grow on the back of rising drug R&D, increasing incidence of chronic diseases, rising importance of generics and higher uptake of biopharmaceuticals. The COVID-19 pandemic has expedited this growth by bringing pharma R&D and manufacturing to the forefront.

There are very few companies in India which have the expertise in the field of fermentation. Many products manufactured by fermentation are not made in India. The country's needs are largely met through imports. GTBL is continuously identifying fermentation-based products which have good domestic and export potential. The Company is also focusing on R&D for technological developments for new product development.

With such capacities in place, GTBL is in a good position to capitalize on the significant growth opportunities in this sector going forward.

Source: https://www.ibef.org/download/1659942652_Pharmaceuticals-June_2022.pdf

https://www.ibef.org/industry/pharmaceutical-india.aspx

OPERATIONAL OVERVIEW:

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

a) Industry structure and developments:

The Indian economy suffered to some extent due to the COVID-19 pandemic during the past year as well, much like every other nation across the world. With almost all major industries impacted by the lockdown to curb the virus, overall

output reduced during the initial months of the last year, and growth forecasts were reduced. However, as the economy has reopened worldwide, growth projections are looking upwards again.

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

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

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

Source: https://timesofindia.indiatimes.com/business/india-business/indian-economy-will-grow-to-8-3-in-2021-says-world-bank/articleshow/83341057.cms

b) Government Initiatives for Pharmaceuticals Industry:

Government Support for Indian Pharma Sector

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

In November 2021, the Prime Minister had inaugurated the first Global Innovation Summit of the pharmaceuticals sector. The summit had 12 sessions and over 40 national and international speakers deliberating on a range of subjects including regulatory environment, funding for innovation, industry-academia collaboration and innovation infrastructure.

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

To achieve self-reliance and minimize import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals had initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of ₹ 6,940 crore (US$ 951.27 million) from FY21 to FY30.

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

Under Union Budget 2021-22, the Ministry of Health and Family Welfare has been allocated ₹ 73,932 crore (US$ 10.35 billion) and the Department of Health Research has been allocated ₹ 2,663 crore (US$ 365.68 billion). The government allocated ₹ 37,130 crore (US$ 5.10 billion) to the 'National Health Mission'. PM Aatmanirbhar Swasth Bharat Yojana was allocated ₹ 64,180 crore (US$ 8.80 billion) over six years. The Ministry of AYUSH was allocated ₹ 2,970 crore (US$ 407.84 million), up from ₹ 2,122 crore (US$ 291.39 million).

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

Source: https://www.ibef.org/download/1659942652_Pharmaceuticals-June_2022.pdf

https://www.investindia.gov.in/schemes-for-pharmaceuticals-manufacturing

https://theprint.in/economy/budget-gives-200-boost-to-pharma-sector-as-govt-looks-to-curb-dependence-on-china/596549/

c) Company's Strategy

The Company is finding new avenues by seeking to expand its existing production capacity.

As part of its growth strategy, the Company is considering investing in new product development and will subsequently expand capacity., Our shift in business model In the financial year 19-20 three years ago led to increased growth in top line and profitability of the Company which continues to sustain. The Company is fully aware of its capabilities and strengths and is going ahead with hand holding strategy with Pharmaceutical majors.

d) Segment–wise or product-wise performance:

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

Discussion on financial performance with respect to operational Performance:

The operational performance during the year under review was one of the best in recent past. The Company changed its business model in September 2019.

The Profit after Tax increased by 44.55% compared to previous year. The Company has generated profit during the year under review as well as in the previous year.

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

The core of the Human Resource philosophy at Gujarat Themis Biosyn Ltd. is empowering human resources towards achievement of company aspirations. Your Company has a diverse mix of youth and experience which nurtures the business. As on 31st March 2022 the total employee strength was 101.

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

Sr.No	Particulars	2021-22	2020-21
1.	Debtors Turnover (in days)	63.29 days	70.42 days
2.	Inventory Turnover (in days)	28.06 days	24.34 days
3.	Interest Coverage Ratio	75.01:1	44.42:1
4.	Current Ratio	4.57:1	4.00:1
5.	Debt Equity Ratio	0.02:1	0.04:1
6.	Operating Profit Margin (%)	52.12%	46.23%
7.	Net Profit Margin (%)	37.98%	33.32%

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

Financial year	2021-22	2020-21
Return on net worth (%)	42.22%	43.15%

The Return on net worth decreased during the year 2021-22 as compared to previous year 2020-21 but increase in the profit from ₹ 3017.97 Lakhs in 2020-21 to ₹ 4,362.42 Lakhs in year 2021-22.

22. ACKNOWLEDGEMENT:

Your Directors have pleasure to place on record their sincere appreciation for the continued co-operation and support extended to the Company by Union Bank of India, all the Employees, Yuhan Corporation, Indian promoters, various other Government authorities and of course, shareholders.

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

Sd/-

Dr. Dinesh S Patel
Chairman
DIN:00033273

Place: Mumbai
Date: 20th May, 2022

ANNEXURE I

Nomination and Remuneration Policy

PREAMBLE

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

OBJECTIVES

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

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

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

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

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

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

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

g) To operate at minimum rate of labour turnover.

DEFINITIONS

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

"Board" means Board of Directors of the Company.

"Company" means "Gujarat Themis Biosyn Limited."

"Directors" mean Directors of the Company.

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

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

"Key Managerial Personnel" (KMP) means:

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

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

"Policy or This Policy" means, "Nomination and Remuneration Policy."

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

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

INTERPRETATION

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

GUIDING PRINCIPLES

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

ROLE OF THE COMMITTEE

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

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

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

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

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

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

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

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

h) To devise a policy on Board diversity.

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

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

MEMBERSHIP

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

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

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

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

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

CHAIRMAN

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

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

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

FREQUENCY OF MEETINGS

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

COMMITTEE MEMBERS' INTERESTS

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

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

VOTING

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

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

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- **Appointment criteria and qualifications:**

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

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

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

- **Term / Tenure:**

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

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

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

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

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

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

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

  (e) Retirement

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

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

- **General:**

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

  2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

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

- **Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay:

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

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

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

- **Remuneration to Non-Executive / Independent Director:**

1. Remuneration / Commission:

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

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

   Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 3% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
4. Stock Options:

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

MINUTES OF COMMITTEE MEETING

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

DEVIATIONS FROM THIS POLICY

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

ANNEXURE II

Secretarial Audit Report

Form No. MR-3

FOR FINANCIAL YEAR ENDED ON 31ST MARCH 2022.

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

To,

The Members,

Gujarat Themis Biosyn Limited.

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, Forms and returns filed and other records maintained by Gujarat Themis Biosyn Limited (“The Company”), for the year ended on 31st March, 2022 to the extent applicable to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made there under to the extent applicable;

II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -

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

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**;

   e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 erstwhile Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 & Securities and Exchange Board of India (Issue and Listing of Nonconvertible and Redeemable Preference Shares) Regulations, 2013; - not applicable for the period under review

   f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 erstwhile Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2009; **(Not applicable to the Company during the audit period)**; and

   g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period)**

   h. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited

VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company being in Drugs and Pharmaceuticals Sector as given in Annexure-1.

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

a. Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

b. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards as mentioned above.

We further report that:

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

1. Appointed Ms. Kirandeep Madan (DIN: 00686547) as Additional Non-Executive Independent Women Director w.e.f 1st May, 2021. Further the appointment of Ms. Kirandeep Madan (DIN: 00686547) was regularized as Non-Executive Independent Women Director at the 40th Annual General Meeting held on 17th September, 2021.
2. Ms. Preeti Trivedi, Non-Executive Independent Women Director resigned from her office w.e.f. 2nd May, 2021.
3. Mr. Namjin Park (DIN: 01860572) resigned from his office w.e.f 14th May, 2021.
4. Mr. Hinesh Doshi (DIN: 00322805) alternate Director to Mr. Namjin Park (DIN:01860572) vacated his office consequent to the resignation of Mr. Namjin Park w.e.f 14th May, 2021.
5. Appointed Dr. Taijen Yoon (DIN: 09168447) as an Additional Non-Executive Director w.e.f 4th June, 2021. Further the appointment of Dr. Taijen Yoon (DIN: 09168447) was regularized as Non-Executive Director at the 40th Annual General Meeting of the Company held on 17th September, 2021. Further Dr. Tainej Yoon (DIN: 09168447) Non-Executive Director Resigned from his office w.e.f 18th September, 2021.
6. Appointed Mr. Hinesh Doshi (DIN: 09168447) as an alternate Director to Dr. Taijen Yoon w.e.f 4th June, 2021. Further with the resignation of Dr. Taijen Yoon, Mr. Hinesh Doshi, Alternate Director (DIN: 00322805) vacated his office w.e.f 18th September, 2021.
7. The appointment of Mr. Han Kon Kim (DIN: 08972517) as Non-Executive Director was regularized at the 40th Annual General Meeting of the Company held on 17th September, 2021. Further Mr. Han Kon Kim (DIN: 08972517) Non-Executive Director resigned from his office w.e.f 18th September, 2021.
8. Mr. Parag Bodha, Company Secretary and Compliance Officer resigned w.e.f 11th May, 2021. Further Mr. Rahul Soni, was appointed as Company Secretary and Compliance Officer w.e.f 2nd May, 2021.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that during the audit period:

1. The Company has declared and paid an Interim dividend @ 140% i.e. Rs. 7/- per Equity Share aggregating to 10.17 Crores for the financial year 2021-22 at their Board Meeting held on 11th November, 2021 which was in compliance with the provisions of Section 123 of the Companies Act, 2013 read with Rule 3 of the Companies (Declaration and Payment of Dividend) Rules, 2014;
2. As confirmed by the management, there are no unclaimed shares of the Company which are required to be transferred to Demat Suspense Account / Unclaimed Suspense Account pursuant to Regulation 39(4) of SEBI (LODR) Regulations, 2015;
3. The Company has obtained Shareholders approval in the 40th AGM held on 17th September, 2021:
   i) to receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with Reports of the Board of Directors and Auditors thereon.
   ii) For appointment of Director in place of Dr. Dinesh S. Patel (DIN: 00033273) who retires by rotation and being eligible, offers himself for re-appointment.
   iii) The appointment of Mr. Han Kon Kim (DIN: 08972517) as Non-Executive Director, liable to retire by rotation.
   iv) The appointment of Ms. Kirandeep Madan (DIN: 00686547) as a Non-Executive Independent Women Director.

v) The appointment of Dr. Taejin Yoon (DIN: 09168447) as a Non-Executive Director, liable to retire by rotation.

4. There was an Inter-se Transfer of Shares amongst the promoters of Company, as per mutual agreement between the promoters under Regulation 10(1)(a)(ii) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as under;

Name of the Acquirer	Name of the Seller	No of shares or Voting Rights Acquired	Total Shares Acquired as a Percentage of diluted Share Capital Of Target Company	Date of Acquisition	Price at Which shares Acquired
Yuhan Corporation	Pharmaceutical Business Group (India) Ltd	38,50,000	26.50%	17th September, 2021	Rs. 150/- per share

For **HSPN & ASSOCIATES LLP**
Company Secretaries

Date: 20/05/2022
Place: Mumbai
ICSI UDIN: A037829D000353584
PEER REVIEW NO: P2007MH004300

Sd/-
Ketan R. Shirwadkar
Designated Partner
ACS No.: 37829
COP No.: 15386

**Our report of even date is to be read along with Annexure 1(B)

Annexure-1 (A)

Sector Specific Laws as applicable to the Company.

1. Drugs and Cosmetics Act, 1940 and Rules made thereunder;
2. The Environment (Protection) Act, 1986;
3. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards;
4. Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards;
5. The Indian Boilers Act, 1923 & the Indian Boilers Regulations, 1950

Annexure-1 (B)

To,

The Members,

Gujarat Themis Biosyn Limited.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness, appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the Company or of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **HSPN & ASSOCIATES LLP**
Company Secretaries

Sd/-
Ketan R. Shirwadkar
Designated Partner
ACS No.: 37829
COP No.: 15386

Date: 20/05/2022
Place: Mumbai.
ICSI UDIN: A037829D000353584
PEER REVIEW NO: P2007MH004300

ANNEXURE-III

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on CSR Policy of the Company.**

This Policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law. The CSR Policy of the Company shall be reviewed by the Corporate Social Responsibility Committee as and when any changes are to be incorporated in the Policy due to change in regulations or as may be felt appropriate by the committee. Any changes or modification on the Policy as recommended by the Committee would be given for approval of the Board of Directors.

2. **Composition of CSR Committee.**

Sl. No.	Name of Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Dr. Dinesh S. Patel	Non-Executive Director and Chairman of the Company	2	2
2	Dr. Vikram D. Sanghvi	Non- Executive, Independent Director	2	2
3	Dr. Sachin D. Patel	Non-Executive Director	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: http://www.gtbl.in/wp-content/uploads/2022/03/GTBL-approved-CSR-project.pdf**

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of Companies (CSR Policy) Rules, 2014, if applicable (attach the report): N.A.

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

6. Average net profit of the company as per section 135(5) : ₹26,77,24,964

7. (a) 2% of average net profit of the company as per section 135(5) : ₹53,54,499/-

(b)Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(b) Amount required to be set off for the financial year, if any: NIL

(c) Total CSR obligation for the financial year (7a+7b-7c): ₹53,54,499/-

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

Total Amount Spent for the Financial Year(₹)	Amount Unspent (₹.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
47,55,500	5,98,999	26.04.2022	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year: ₹ 47,00,000

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activi- ties in sched- ule VII to the Act	Local Area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the Current Financial Year (in ₹)	Amount trans- ferred to Unspent CSR Account for the project as per section 135(6) (in ₹)	Mode of Imple- men- tation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR reg- istration number
1.	promoting health care including preventive health care	promoting health care including preventive health care	Yes	Gujarat	Valsad	Annual	N.A.	14,00,000	N.A.	Implementing Agency	Life Line Foundation	CSR00005458
2.	Construction of School, Hostel etc.	promoting education	Yes	Gujarat	Valsad	More than 12 months	50,00,000	33,00,000	5,98,999	N.A.	-	-
	Total							47,00,000				

(c) Details of CSR amount spent against other than ongoing projects for the financial year: ₹55,500

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ N0)	Location of the Project		Amount Spent for the project (in Rs.)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR registration number
1	Rotary Surat Riverside	promoting health care including preventive health care	No	Gujarat	Surat	5,500/-	Directly by the Company	N.A.	N.A.
2	Vapi Industries Association	promoting health care including preventive health care	Yes	Gujarat	Valsad	50,000/-	Directly by the Company	N.A.	N.A.
	TOTAL					55,500			

(d) Amount spent in Administrative Overheads: N.A.

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 47,55,500/-

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in Rs.)
(i)	2% of average net profit of the company as per section 135(5)	53,54,499
(ii)	Total amount spent for the financial year	47,55,500
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	Nil

9. (a) Details of unspent CSR amount for the preceding three financial years: ₹10,5000

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount Spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6) if any			Amount remaining to be spent in succeeding financial years (in ₹.)
				Name of the Fund	Amount (in ₹.)	Date of Transfer	
1	2020-21	10,5,000	7,00,000	Not Applicable			3,05,000
	TOTAL	**10,5,000**	**7,00,000**				**3,05,000**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting financial year (in Rs).	Cumulative amount spent at the end of reporting financial year (in Rs.)	Status of the project – Completed / On-going
1	N.A.	promoting health care including preventive health care	Begning of the financial year	more than twelve months	N.A.	7,00,000	7,00,000	Ongoing
	TOTAL					**7,00,000**	**7,00,000**	

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

11. Specify the reason(s), if the company has failed to spend 2% of the average net profit as per section 135(5).

The Company is carrying out a project with Government of Gujarat (District Panchayat Valsad) as part of its CSR initiatives for funding and undertaking the construction of 8 Classrooms, 2 Hostels, 1 mess at Ashram Shala, Gadi in Dharampur Taluka, Valsad. This is an ongoing project which is being carried out in phases and expenditure therefor will be made accordingly .Hence, the amount of ₹ 5,98,999/-pertaining to the said project which was not due for spending as at the end of the financial year has been transferred to Unspent CSR Account and will be spent from the said account for the above mentioned ongoing project in the next financial year(s).

On behalf of the Board of Directors

For **Gujarat Themis Biosyn Limited**

Date: 20th May, 2022

Place: MUMBAI

sd/-

Dr. Dinesh S. Patel

Chairman

ANNEXURE IV

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

1. **The percentage increase in remuneration of Chief Financial Officer, Chief Executive Officer and Company Secretary of the Company for the financial year 2021-22:**

Name	% Increase in the remuneration	Ratio of the remuneration of each Director / to median remuneration of the employees.
Mr. Jagdish G. Kaujalgi (CEO)	5.79 %	6.22
Rahul Soni (Company Secretary)	-	-
Mr. Bharat Amratlal Desai (CFO)	0.00 %	3.33

Note:

a) Mr. Rahul Soni was appointed as Company Secretary and Compliance Officer w.e.f. from 12th May, 2021. Therefore, percentage increase in the remuneration disclosure is not applicable for him.

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

2. **The percentage increase in the median remuneration of employees in the financial year :** 0.32%

3. **The number of permanent employees on the rolls of the Company:** 105.

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

Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was **8.2%**, while the average percentile decrease in the remuneration of managerial personnel was **-1.55%**.

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

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

ANNEXURE V

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

(A) Conservation of energy:

Steps taken or impact on conservation of energy	**1)** The fermentor air flow measurement orifice type flow meter which were replaced with vortex type flow meters resulted in pressure drop reduction in the system thus power consumption of air compressors was reduced. **2)** Proper Distribution of Cooling tower water by modifying piping has resulted in uniform required flow in all chilling units has reduced CT Pump load from 210HP to 150HP **3)** Installation of high efficiency 40TR screw type Brine chilling unit in place of existing reciprocating type compressor which was installed earlierhas resulted in power reduction from 112 KW to 57 KW. **4)** A new cooling tower which was installed earlier at the top of the solvent recovery unit. This reduced the power consumed by the Cooling tower pump due to drastic reduction of static head and tower circuit pipe length. Power saving of 45 KW was achieved.
Steps taken by the company for utilizing alternate sources of energy	NIL
Capital investment on energy conservation equipments	NIL

(B) Technology absorption:

Efforts made towards technology absorption	-
Benefits derived like product improvement, cost reduction, product development or import substitution	**1)** Increased production resulting in overhead reduction on per kg basis of finished goods. **2)** India is still importing Rifamycin S and Rifampicin from China, thus higher output from Company results in lowering imports requirements.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): No technology has been imported during the last three years.	
• Details of technology imported	NA
• Year of import	NA
• Whether the technology has been fully absorbed	NA
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
Expenditure incurred on Research and Development	NA

(C) Foreign exchange earnings and Outgo:

Particulars	**1st April, 2021 to 31st March, 2022** ***[Current F.Y.]***	**1st April, 2020 to 31st March, 2021** ***[Previous F.Y.]***
	Amount in (₹. Lakhs)	**Amount in (₹. Lakhs)**
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	113.28	53.07

ANNEXURE VI

REPORT ON CORPORATE GOVERNANCE

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

The Members,

The Directors of the Company are pleased to present their Report on Corporate Governance for the financial year ended 31st March, 2022.

1. PHILOSOPHY ON CODE OF GOVERNANCE

The Company has maintained high level of commitment towards effective Corporate Governance. The Company has over the years, apart from following the statutory requirements on Corporate Governance has initiated systems on transparency, disclosure, control, accountability, establishing trust with all stakeholders including the investors, employees, suppliers, customers and the medical profession at large. The Company is regularly guided by the professionals on the Board as well as the representatives of the foreign collaborators in evolving its culture. The Company envisages the attainment of a higher level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally.

2. BOARD OF DIRECTORS

Composition of the Board

→ The Company's Board comprises Directors in accordance with the provisions of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 on Corporate Governance. The Non-Executive Directors bring an external and wider perspective confirming therewith in depth business deliberations and decisions advantage. The Board represents an optimum mix of professionals and experts.

The present strength of the Board is Six Non-Executive Directors comprising Four Indian Independent Professional Directors, 2 Indian Promoter Directors.

Appointment and Tenure:

→ The Directors of the Company are appointed by members at the General Meetings and two-third Directors, other than Independent Directors, retire by rotation pursuant to the provisions of the Companies Act, 2013.

Board Independence:

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

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

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM Attended	Number of Directorship in other listed Companies#	Number of Committee positions held in other listed Companies ##	
						Chairperson	Member
Dr. Dinesh S. Patel@	Chairman	Non Executive Promoter Director	4	Yes	1	-	-
Dr. Sachin Dinesh Patel@	Director	Non Executive Promoter Director	5	Yes	1	-	2
Mr. Vijay Agarwal	Director	Independent Director	5	Yes	2	1	2
Ms. Kirandeep Madan	Director	Independent Director	5	No	-	-	-
Dr. Vikram D. Sanghvi	Director	Independent Director	5	No	-	-	-
Mr. Siddharth Y. Kusumgar	Director	Independent Director	5	No	-	-	-

Notes:

1. # Includes only Listed Companies.

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

3. @ Relatives as per provisions of Section 2(77) of The Companies Act, 2013.

• **Dates of Board Meetings held during the F.Y.2021-22** **Five Board Meetings were held during the year on following dates:** 1. 01st May, 2021 2. 12th August, 2021 3. 20th September, 2021 4. 11th November, 2021 5. 11th February, 2022	• **Risk Management** Risk Management is a process with methods and tools for managing risks. Business risks are generally discussed in Board Meeting and risk mitigation strategies are implemented in the Company. • **Management Discussion and Analysis Report (MD & A)** The MD & A report forms part of the Annual Report and provided elsewhere in this report.

Names of the listed entities where the person is a Director and the category of Directorship.

Name of the Director	Name of the listed entities and category of Directorship
Mr. Vijay Agarwal	1. Themis Medicare Limited Non-Executive Independent Director 2. Gujarat Themis Biosyn Limited Non-Executive Independent Director 3. Compuage Infocom Limited. Non-Executive Independent Director
Dr. Dinesh S. Patel	1. Themis Medicare Limited, Promoter, Executive Director 2. Gujarat Themis Biosyn Ltd, Non-Executive Director
Dr. Sachin D. Patel	1. Themis Medicare Limited, Promoter, Executive Director 2. Gujarat Themis Biosyn Ltd, Promoter, Non Executive Director
Ms. Kirandeep Madan	1. Gujarat Themis Biosyn Ltd, Non-Executive Independent Director
Dr. Vikram D. Sanghvi	1. Gujarat Themis Biosyn Ltd, Non-Executive Independent Director
Mr. Siddharth Y. Kusumgar	1. Gujarat Themis Biosyn Ltd, Non-Executive Independent Director

Matrix setting out the Core Skills/Expertise/Competence of the Board of Directors

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

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

Core Skills/Experience/Competence	Actual Availability with current board
Industry knowledge/experience in	
Healthcare Industry Knowhow	Available
Creating value through Intellectual Property Rights	Available
Global Operations	Available
Value Spotting and Inorganic Growth	Available
Previous Board Experience on similarly sized or bigger companies	Available

Technical skills/experience	
Strategic planning	Available
Risk and compliance oversight	Available
Marketing	Available
Policy Development	Available
Accounting, Tax, Audit and Finance	Available
Legal	Available
Sales/ Customer Engagement	Available
Public Relations and Liasoning	Available
Information Technology	Available
Behavioural Competencies	
Integrity & ethical standards	Available
Mentoring abilities	Available
Interpersonal relations	Available

Confirmation on the independence of the Independent Directors

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

→ **Shareholdings of Non – Executive Directors in the Company as on 31st March, 2022:**

Sr. No.	Name of Director	No. of Equity shares of Rs.5/- each held	% holding
1.	Mr. Vijay Agarwal	Nil	Nil
2.	Dr. Vikram Sanghvi	Nil	Nil
3.	Dr. Dinesh S. Patel	4701	0.03
4.	Dr. Sachin D. Patel	7100	0.05
5.	Mr. Siddharth Kusumgar	Nil	Nil
6.	Ms. Kirandeep Madan	Nil	Nil

→ **Separate Meeting of Independent Directors:**

The meeting of Independent Directors was held on, 25th March, 2022, and they inter alia discussed the performance of Non-Independent Directors and the Board as a whole; The performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; The quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

→ **Familiarization Programme for Independent Directors:**

All Directors inducted to the Board are introduced to our Company culture through appropriate orientation sessions. Presentation made by the Chairman & senior management to provide an overview of our operations, and to familiarize the new non-executive Directors with our operations. They are also introduced to our organization structure, our services, constitution, and board procedures, matters reserved for the Boards, and our major risks and risk management strategy. They seek to enable the Independent Directors to understand the business and strategy, and leverage their expertise and experience to the maximum benefit of the Company. Details of programs conducted by the Company for the financial year 2021-22, if any, are available on the website of the Company at http://www.gtbl.in/wp-content/uploads/2015/08/Familiarisation-Prog.pdf

1. Committees of Board

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

A. Audit Committee :

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

The terms of reference of the Audit committee are briefly described below:

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

- **Composition:**

  The terms of reference and powers of committee are in compliance with the provisions of the Listing Regulations on Corporate Governance and Section 177 of the Companies Act, 2013.

  The Audit committee consists of Mr. Vijay Agarwal – Chairman, Dr. Sachin D. Patel, Mr. Siddharth Y. Kusumgar and Dr. Vikram D Sanghvi as the Members of the Committee.

- **Meetings:**

  During the period under consideration, 4 (Four) Meetings of the Committee were held as follows. The dates of Audit Committee meetings held during Financial Year 2021-22 are as follows:

  - 01st May, 2021
  - 12th August, 2021
  - 11th November, 2021
  - 11th February, 2022

Audit Committee attendance during the year is as under:

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	4
*Ms. Preeti K. Trivedi	Member	0
Dr. Sachin D Patel	Member	4
Mr. Siddharth Y Kusumgar	Member	4
Dr. Vikram D. Sanghvi	Member	4

**Mrs. Preeti K. Trivedi resigned from the office of Director w.e.f. from 2nd May, 2021*

- **Attendees:**

  The Statutory & Internal Auditors were invited to attend the meetings.

  The Company Secretary acts as Secretary to the Audit Committee.

B. NOMINATION & REMUNERATION COMMITTEE:

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

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

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent Directors and the board of Directors;
3. Devising a policy on diversity of board of Directors;
4. identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of Independent Directors.

- **Composition:**

  Nomination & Remuneration Committee consists of Two Independent Directors & One Non-Executive Director.

  The Company Secretary acts as the Secretary of the Committee.

- **Meetings:**

  During the period under consideration, 2 (Two) Meetings of the Nomination & Remuneration Committee of the Company were held as follows:

  - 01st May, 2021
  - 11th February, 2022

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

Name	Status	No. of Meetings Attended
Mr. Vijay Agarwal	Chairman	2
*Mrs. Preeti K. Trivedi	Member	0
Dr. Sachin D. Patel	Member	2
**Mr. Siddharth Y. Kusumgar	Member	1

*Mrs. Preeti K. Trivedi resigned from office of Director w.e.f. 2nd May, 2021

**Mr. Siddharth Y. Kusumgar was appointed as member of Committee w.e.f. 28th May, 2021 through circular resolution.

- **Board Evaluation**

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

Following are the major criteria applied for performance evaluation —

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

Retirement Policy for Directors of the Company:

The age of retirement for non-executive Directors and independent Directors is as per the Companies Act, 2013 requirements.

C. Remuneration to Directors:

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

The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for attending Board and Committee meetings and Commission as approved by members for their invaluable services to the Company.

Independent Directors were paid Rs.25, 000/- for attending each Board meeting Rs.20,000/- for attending each Audit Committee Meetings.

Further the Company has not paid any commission to any Board Members.

b. Criteria of making payments to Non-Executive Directors.

Criteria of making payments to Non-Executive Directors is disclosed in the same is available on http://www.gtbl.in/

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

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

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

iii. Service contracts, notice period, severance fees: NA.

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

The details of Sitting Fees paid to Independent Directors for the year 2021-22 are as follows:

Sr. No.	Name of Director	Salary	Perquisites	Sitting Fees (Rs.)	Total (Rs.)
1.	Mr. Vijay Agarwal	NA	NA	2,25,000	2,25,000
2.	Dr. Sachin D. Patel	NA	NA	NA	NA
3.	Dr. Dinesh S. Patel	NA	NA	NA	NA
4.	Dr. Vikram D. Sanghvi	NA	NA	2,25,000	2,25,000
5.	Mr. Siddharth Y. Kusumgar	NA	NA	2,25,000	2,25,000
6.	Ms. Kirandeep Madan	NA	NA	1,45,000	1,45,000

Sitting fees include ₹20,000 paid to Independent Directors for Separate Meeting of Independent Directors.

D. STAKEHOLDERS RELATIONSHIP COMMITTEE /STAKEHOLDERS' GRIEVANCE COMMITTEE:

- **Composition:**

  The Stakeholders Relationship Committee was constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act, 2013. Stakeholders Relationship Committee has been constituted to monitor and review investors' grievances.

  The Company Secretary acts as Compliance Officer for redressal of Shareholders/ Invertors' grievances.

- **Meetings:**

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

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

  → Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc. A Stakeholders Relationship Committee meeting of the Company was held on 01th May, 2021 during the year 2021-22.

- **Stakeholders Relationship Committee attendance during the year are as under:**

Sr. No.	Name	Status	No. of Meetings Attended
1.	Dr. Sachin Dinesh Patel	Chairman	1
2.	Mr. Vijay Agarwal	Member	1
3.	Dr. Dinesh S Patel	Member	1

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

  Mr. Rahul Soni
  Company Secretary & Compliance Officer
  11/12 Udyog Nagar,
  S.V. Road, Goregaon (West),
  Mumbai- 400 104.

- **Details of investor complaints/request received and redressed during the year 2021-22 are as follows:**

Number of shareholders' complaints/request received	number not solved to the satisfaction of shareholders	number of pending complaints
6	0	0

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee was constituted during the financial year 2019-20 in line with the provisions of section 135 of the Companies Act, 2013.

- **Meetings:**

  The Committee met 2 times during the Financial Year 2021-22

- **Corporate Social Responsibility Committee attendance during the year are as under:**

Sr. No.	Name	Status	No. of Meetings Attended
1.	Dr. Sachin Dinesh Patel	Member	2
2.	Dr. Vikram D. Sanghvi	Member	2
3.	Dr. Dinesh S Patel	Member	2

2. Code of Conduct

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

All the Board members and Senior Management of the Company as on 31st March, 2022 have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Chief Executive Officer, forms part of this report.

3. General Body Meetings:

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

AGM/ EGM	Date & Time	Location	Special Resolution passed
38th AGM	27-09-2019 at 12.00 Noon	At the Office of Themis Medicare Ltd. at 69/A, GIDC Industrial Estate, Vapi, Dist-Valsad-396 195.	Re-appointment of Mr. Vijay Agarwal (DIN: 00058548) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013
39th AGM	21-09-2020 at 12.00 Noon	Held through Video Conferencing('VC") / Other Audio Visual Means ("OAVM")	1. Re-appointment of Dr. Vikram D. Sanghvi (DIN: 06858267) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013. 2. Re-appointment of Mr. Siddharth Y. Kusumgar (DIN: 01676799) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013. 3. To increase the borrowing powers of the Board under Section 180(1)(c) of the Companies Act, 2013.
40th AGM	17-09-2021 at 12.00 Noon	Held through Video Conferencing('VC") / Other Audio Visual Means ("OAVM")	No Special Resolution passed.

- whether any special resolution passed last year through postal ballot – details of voting pattern : **N.A**
- whether any special resolution is proposed to be conducted through postal ballot: **N.A.**

4. Means of Communication:

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

(a) & (b) The Quarterly, Half yearly and Annual results were published in widely circulated newspapers viz, Western Times - Surat Edition.

(c) All the data related to quarterly, half yearly and Annual Financial Results, Shareholding Pattern, News release etc. is provided on the website - www.gtbl.in

(d) The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchange are filed through BSE Listing Centre, for dissemination on their respective websites.

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

5. General Shareholders Information

Annual General Meeting Date & Time	:	In September, 2022. Date will be mentioned in AGM Notice.
Venue	:	Office of Themis Medicare Ltd, Plot No. 69A, G.I.D.C. Industrial Estate, Vapi, Valsad GJ- 396195
Financial Calendar (Tentative) Results for the Quarter ending (With Limited Review by the Statutory Auditors)	:	April to March
First Quarter Results Half yearly Results Third Quarter Results Audited Results for the year	:	By 14th August, 2022 By 14th November, 2022 By 14th February, 2023 By end of May, 2023
Dividend payment date		Interim Dividend paid on 3rd December, 2022 and final dividend declared and recommended for shareholder approval in ensuing Annual General meeting. The Dividend, if declared at the AGM, would be paid/ dispatched within thirty days from the date of declaration of dividend.
Dates of Book Closure/ Record Date	:	Book Closure will be 7 days before the date of AGM inclusive of AGM. Dates will be mentioned in Notice of AGM.
Listing on Stock Exchange at	:	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.
Listing Fees paid for 2021-22	:	The Company has paid listing fees to the BSE Ltd.
Stock Code BSE Ltd. Mumbai	:	506879
DEMAT ISIN Number for NSDL & CDSL	:	INE942C01029
Websites	:	www.bseindia.com

Market Price Data and Performance in comparison to BSE Sensex:

High/low of market price of the Company's shares traded on Bombay Stock Exchange, Mumbai during the financial year 2021-22 is furnished below:

Month	Share Price		BSE Sensex	
	High Price (Rs.)	Low Price (Rs.)	High Price (Rs.)	Low Price (Rs.)
Apr-21	255.00	201.10	50,375.77	47,204.50
May-21	311.00	235.00	52,013.22	48,028.07
Jun-21	334.00	250.00	53,126.73	51,450.58
Jul-21	463.55	312.00	53,290.81	51,802.73
Aug-21	454.40	355.90	57,625.26	52,804.08
Sep-21	692.00	420.10	60,412.32	57,263.90
Oct-21	621.80	471.00	62,245.43	58,551.14
Nov-21	589.45	481.00	61,036.56	56,382.93
Dec-21	519.00	441.10	59,203.37	55,132.68
Jan-22	514.00	440.00	61,475.15	56,409.63
Feb-22	462.80	324.00	59,618.51	54,383.20
Mar-22	448.00	317.00	58,890.92	52,260.82

Registrar & Share Transfer Agent : Link Intime India Pvt. Ltd.C 101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai, Maharashtra,400083
Tel : +91 22 49186270
Fax : +91 22 49186060
E-mail: rnt.helpdesk@linkintime.co.in
Web site: www.linkintime.co.in

Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company The Company's Registrar, M/s. Link Intime India Pvt. Ltd. has adequate infrastructure to process the application related to transmission, transposition split duplicate etc. The share transfer committee meets on a need basis to consider the transmission application and other proposals relating to transposition, split, consolidation and issue of fresh share certificate. In case if there are no transmission, duplicate, split application in particular period, share transfer committee meetings were not held. In compliance with SEBI (LODR) Regulations every six months, a practicing Company Secretary audit the system of transfer and a certificate to that effect is issued.

Distribution of Equity Shareholding:

As on 31st March, 2022				
Holding of shares (In Nos)	**No. of Shareholders**	**% of Shareholders**	**Shares**	**% of Share Capital**
1 to 500	13231	93.6509	10,17,128	7.0008
501 to 1000	443	3.1356	3,57,823	2.4629
1001 to 2000	222	1.5713	3,31,272	2.2801
2001 to 3000	71	0.5025	1,82,245	1.2544
3001 to 4000	47	0.3327	1,69,892	1.1694
4001 to 5000	27	0.1911	1,25,042	0.8607
5001 to 10000	42	0.2973	2,95,621	2.0347
10001 & Above	45	0.3185	1,20,49,679	82.9371
Total	**14,128**		**1,45,28,702**	**100**

Dematerialization of Shares

The equity shares of the Company are under compulsory dematerialized (demat) mode and are available for trading under National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March 2022, a total of **1,42,24,404** Equity Shares of the Company forming **97.91%** of the total paid up share capital stands dematerialized. All requests for dematerialization of shares are processed within the stipulated time. The identification allotted to the Company's equity shares is INE942C01029.

Outstanding GDRs / ADRs / Warrants or any Convertible instruments conversion date and Likely impact of equity.	:	Not Applicable
Commodity price risk or foreign exchange risk and hedging activities;	:	Not Applicable
Plant Locations	:	69/C, GIDC INDUSTRIAL ESTATE, VAPI VALSAD GJ 396195 IN

Address for Correspondence	:	
Registrar & Share Transfer Agent (For Physical as well as Electronic form)	:	Link Intime India Pvt. Ltd , C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 Tel : 022 - 49186270 Fax : 022 - 49186060 E-mail: rnt.helpdesk@linkintime.co.in Web site: www.linkintime.com
For any other matter and unresolved complaints	:	Mr. Rahul Soni

Registrar and Share Transfer Agent

M/s. Link Intime India Private Limited is the Registrar and Share Transfer Agent of the Company (R&T Agent).They deal with all matters pertaining to, transmissions, subdivisions and consolidation of Company's securities and also correspondence for holdings in physical shares. It may be noted that the request for dematerialization of shares should be made by the investors to their respective depository participants. There are no legal proceedings against the Company on any share transfer matter.

6. Other Disclosures :

I. Materially significant related party transactions:

The related party transactions in case of our Company are not materially significant which requires Members' approval. However, the Management, Audit & Risk Management Committee and the Board ensure such transactions are at arm's length.

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

II. Disclosure of Pending Cases/Instances of Non Compliance

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

III. Whistle Blower Policy/ Vigil Mechanism

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

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

IV. Mandatory Requirements

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

V. Non-Mandatory Requirements

i. Shareholder Rights – Half yearly results

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

ii. Audit Qualification

There are no qualifications contained in the Audit Report.

iii. Separate Posts of Chairman and CEO.

The Posts of Chairman and CEO are separate.

iv. Reporting of Internal Auditors

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

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

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

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

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

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

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

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

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

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

Sd/-
Dr. Dinesh S Patel
Chairman
DIN: 00033273

Place: Mumbai
Date: 20th May, 2022

DECLARATION

I, **Jagadish G. Kaujalgi,** Chief Executive Officer of Gujarat Themis Biosyn Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Schedule V (D) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2022

For **Gujarat Themis Biosyn Limited**

Sd/-

Place: Mumbai
Date: 20th May, 2022

Jagadish G. Kaujalgi
Chief Executive Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Board of Directors,

Gujarat Themis Biosyn Limited.

69-C, GIDC Industrial Estate,

Vapi Valsad, Gujarat- 396195, India.

The Corporate Governance Report prepared by Gujarat Themis Biosyn Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2022 pursuant to the Listing Agreement of the Company with the BSE Limited (referred to as the "Stock Exchange").

Management's Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2022 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

Opinion

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company, has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations during the year ended March 31, 2022.

Other Matters and Restriction on use

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

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2022, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR HSPN & ASSOCIATES LLP
COMPANY SECRETARIES
KETAN R. SHIRWADKAR
DESIGNATED PARTNER
ACS No.: 37829
COP No.: 15386

DATE: 20/05/2022
PLACE: MUMBAI
ICSI UDIN: A037829D000353518
PEER REVIEW NO: P2007MH004300

CEO-CFO CERTIFICATE

To,

The Board of Directors

Gujarat Themis Biosyn Limited,

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

(a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March 2022 and based on our knowledge and belief, we state that:

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.

   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

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

(c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:

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

   (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and

   (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For **Gujarat Themis Biosyn Limited**

Sd/-

Jagadish G. Kaujalgi

Chief Executive Officer

For **Gujarat Themis Biosyn Limited**

Sd/-

Bharat A. Desai

Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GUJARAT THEMIS BIOSYN LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **GUJARAT THEMIS BIOSYN LIMITED** ("the Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the 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 Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Key Audit Matters

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

Sr.No.	Key Audit Matter	How was the matter addressed in our audit
1	**Revenue recognition [refer note no. 2.2(k) and 20 to the Ind AS financial statements]** Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.
2	**Capital work-in-progress/Property Plant and Equipment (PPE) [refer note no. 2.2(a) and 4 to the Ind AS financial statements]** The Company has made additions to the Capital work-in-progress/Property, Plant and Equipment of the ongoing units. Also, the company has capitalized a portion of its capital work-in-progress considering them as ready to use. The assets need to be capitalized and depreciated once the assets are ready for use as intended by the management. Inappropriate timing of capitalization of the asset and/or inappropriate classification of categories of items of PPE could result in material misstatement of Capital work-in-progress/ PPE with a consequent impact on depreciation charge and results for the year.	Testing the design, implementation and operating effectiveness of controls in respect of review of capital work in progress, particularly in respect of timing of the capitalization and recording of additions to items of various categories of PPE with source documentation, substantive testing of appropriateness of the cut-off date considered for project capitalization. We tested the source documentation to determine whether the expenditure is of capital nature and has been appropriately approved and segregated into appropriate categories. Further, through sites visits, we have physically verified the existence of capital work in progress/PPE as at the reporting period.

3	**Provisions and Contingent Liabilities (including direct and indirect taxes) [refer note no. 2.2(n) and 30(B) to the Ind AS financial statements]** The Company is involved in direct and indirect tax litigations that are pending with various tax authorities. Whether a liability is recognised or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments. These include assumptions relating to the likelihood and/or timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute.	Obtained an undestranding from the management with respect to process and controls followed by the Company for identification and monitoring of developments in relation to the litigations, including completeness thereof. Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts. Performed substantive procedures including tracing from underlying documents / communications from the tax authorities and re-computation of the amounts involved. Assessed management's conclusions and understanding precedents in similar cases.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report and Corporate Governance, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate

to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
   c) The company does not have any branches. Hence, the provisions of section 143(3)(c) is not applicable.
   d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   f) In our opinion, there are no financial transactions or matters which have any adverse effect on the functioning of the company.

g) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.

i) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**

j) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position as referred to Note 30(B) to the Ind AS financial statement.

(ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.

(iii) There has been no delay in transferring amounts which were 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures 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) As stated in Note 12(viii) to the Ind AS financial statements, the dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

3. 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, to us, The Company has not paid remuneration to its directors during the year and sitting fees paid to its Independent directors during the year are in accordance with the provisions of section 197 of the Act.

For **GMJ & Co**
Chartered Accountants
(FRN: 103429W)
CA Sanjeev Maheshwari
Partner
M. No.: 038755
UDIN: 220387 55AJHE DF1912

Place : Mumbai
Date : May 20, 2022

Re: GUJARAT THEMIS BIOSYN LIMITED

Annexure 'A' to the Independent Auditors' Report

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

i. (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 does not have any intangible assets, Accordingly, reporting under clause i(a)(B) of the Order is not applicable to the Company.

(b) Property, Plant and Equipment have been physically verified by the management at regular intervals. No material discrepancies were noticed on such physical verification.

(c) According to the information and explanation given to us and on the basis of our verification, title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year and the company does not have any intangible assets.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the company, no proceedings have been initiated during the year or are pending against the company as at March 31, 2022 for holding any benami property under the Benami transactions (Prohibition) act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the books of account that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, during any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3 (ii)(b) of the Order is not applicable to the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted unsecured loans to companies and the Company has not made any investments in, not provided any guarantee or security or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, The Company has, during the year, granted unsecured loans to companies (as per the table given below) and not provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.

(INR in Lakhs)

Particulars	Loans
Aggregate amount granted/ provided during the year	
- Subsidiaries, Joint Ventures & Associates	-
- Others	1,750
Balance outstanding (gross) as at balance sheet date in respect of the above cases	
- Subsidiaries, Joint Ventures & Associates	-
- Others	1,750

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of granted all unsecured loans, are prima facie not prejudicial to the interest of the Company. The Company has not made any investments, not provided any guarantee or security or granted any advances in the nature of loans during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, In respect of the loans outstanding as on the balance sheet date, the schedule of repayment of principal and payment of interest has been stipulated by the Company and the parties are regular in payment of principal and interest as applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no amount overdue during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The loans granted during the year had stipulated the scheduled repayment of principal and payment of interest. No loans were granted during the year to promoters and related parties. The company has not granted any advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanation given to us, during the year, the company has not granted any loans, not made any investment and not provided any guarantees or security to the parties covered under section 185 of the Companies Act, 2013. The Company has complied with the provisions of section 185 and 186 of the Act to the extent applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the company in the respect of the products where, pursuant to the Rules made by the Central Government, the maintenance of Cost Records have been prescribed under section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to whether they are accurate or complete.

vii. (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and on the basis of our examination of our records of the Company, there have been no disputed dues which have not been deposited in respect of income tax, goods and services tax, sales tax, service tax, excise duty, duty of customs or value added tax as at March 31, 2022.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the company has not taken term loans during the year and the company has utilized the money obtained by way of term loans during the previous years for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) The Company does not have any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March, 2022. Therefore, the provisions of Clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March, 2022. Therefore, the provisions of Clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us and based on the records and documents produced before us, during the year the company has not raised money by way of initial public offer or further public offer (including debt instruments), therefore, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under Section 143(12) of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the company during the year while determining the nature, timing and extent of audit Procedures.

xii. As the company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, therefore the provisions of clause 3(xii) of the Order is not applicable to the company.

xiii. According to the information and explanation given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv. According to the information and explanations given to us, 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) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, during the course of audit, the Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, 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 Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, in our opinion and according to the information and explanations given to us, The amount remaining unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with provision of sub section (6) of section 135 of the said Act.

Financial year	Amount unspent on Corporate Social Responsibility activities for "Ongoing Projects" (INR in Lakhs)	Amount Transferred to Special Account within 30 days from the end of the Financial Year (INR in Lakhs)	Amount Transferred after the due date (specify the date of transfer) (INR in Lakhs)
(a)	(b)	(c)	(d)
2021-22	5.99	5.99	-
2020-21	3.05	3.05	-

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **GMJ & Co**
Chartered Accountants
(FRN: 103429W)
CA Sanjeev Maheshwari
Partner
M. No.: 038755
UDIN: 220387 55AJHE DF1912

Place : Mumbai
Date : May 20, 2022

Re: GUJARAT THEMIS BIOSYN LIMITED

Annexure – 'B' to the Auditors' Report

(Report on the Internal Financial Controls under Clause

(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"))

We have audited the internal financial controls over financial reporting of **"GUJARAT THEMIS BIOSYN LIMITED"** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **GMJ & Co**
Chartered Accountants
(FRN: 103429W)
CA Sanjeev Maheshwari
Partner
M. No.: 038755
UDIN: 220387 55AJHE DF1912

Place : Mumbai
Date : May 20, 2022

BALANCE SHEET AS AT MARCH 31, 2022

(Amount in INR Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4	1,822.36	1,698.56
(b) Capital Work-in-Progress	4	1,269.80	207.39
(c) Right-of-use Assets	4(a)	120.76	195.98
(d) Financial Assets			
(i) Other Financial Assets	5	920.69	130.49
(e) Deferred Tax Asset (Net)	11	-	-
(f) Other Non-Current Assets	10	277.86	261.91
		4,411.47	**2,494.33**
Current assets			
(a) Inventories	6	1,160.97	604.89
(b) Financial Assets			
(i) Trade Receivables	7	2,511.82	1,471.40
(ii) Cash and Cash Equivalents	8	46.08	397.45
(iii) Other Bank Balances	9	1,188.82	2,366.36
(iv) Loans	5	1,751.92	1.83
(v) Other Financial Assets	5	1,147.83	1,460.76
(c) Other Current Assets	10	31.18	29.45
		7,838.62	**6,332.15**
TOTAL		**12,250.08**	**8,826.49**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	726.44	726.44
(b) Other Equity	13	9,605.70	6,268.28
		10,332.14	**6,994.72**
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	-	-
(ia) Lease liabilities	14(a)	41.91	100.14
(b) Provisions	18	57.91	51.39
(c) Deferred Tax liabilities (Net)	11	102.36	97.93
		202.18	**249.46**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	-	302.82
(ia) Lease liabilities	14(a)	75.00	79.95
(ii) Trade Payables	16		
Total outstanding dues of Micro enterprises and Small enterprises		62.72	1.07
Total outstanding dues of creditors other than micro enterprises and small enterprises		599.10	352.68
(iii) Other Financial Liabilities	15	530.09	629.04
(b) Other Current Liabilities	17	255.25	75.19
(c) Provisions	18	22.58	19.69
(d) Current Tax Liabilities (Net)	19	171.03	121.88
		1,715.77	**1,582.31**
TOTAL		**12,250.08**	**8,826.49**
Significant Accounting Policies and Notes Forming Part of the Financial Statements	**1 to 53**		

As per our report of even date attached
For GMJ & Co
Chartered Accountants
Firm Registration No: 103429W

Sd/-
CA Sanjeev Maheshwari
Partner
Membership No: 38755
UDIN: 220387 55AJHE DF1912

Place: Mumbai
Date: May 20, 2022

For and on behalf of the Board

Sd/-
Sachin D. Patel
Director
DIN: 00033353

Sd/-
Dinesh S. Patel
Chairman
DIN: 00033273

Sd/-
Jagdish G. Kaujalgi
Chief Executive Officer

Sd/-
Rahul Soni
Company Secretary
Membership No. A61305

Sd/-
Bharat A. Desai
Chief Financial Officer

Place: Mumbai
Date: May 20, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in INR Lakhs)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
INCOME			
Revenue from operations (net)	20	11,485.39	9,056.27
Other income	21	405.01	326.66
Total Income		**11,890.40**	**9,382.93**
EXPENSES			
Cost of materials consumed	22	2,174.63	1,575.29
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	23	(513.07)	(38.11)
Employee benefits expense	24	708.36	711.27
Finance costs	25	82.78	98.14
Depreciation and amortization expenses	26	223.30	173.25
Other expenses	27	3,310.95	2,774.90
Total Expenses		**5,986.95**	**5,294.74**
Profit before exceptional items and tax		**5,903.45**	**4,088.19**
Profit before tax		**5,903.45**	**4,088.19**
Tax expense:			
Current tax		1,500.76	1,035.00
Adjustment of tax relating to earlier periods		33.03	22.61
Deferred tax		7.24	12.62
Profit for the period		**4,362.42**	**3,017.97**
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		(10.79)	(4.15)
Income tax effect on above		2.81	1.08
Other Comprehensive income for the year, net of tax		**(7.99)**	**(3.07)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**4,354.43**	**3,014.89**
Basic and diluted earnings per equity share	28		
Basic and Diluted EPS		30.03	20.77

Significant Accounting Policies and Notes Forming Part of the Financial Statements **1 to 53**

As per our report of even date attached
For GMJ & Co
Chartered Accountants
Firm Registration No: 103429W

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CA Sanjeev Maheshwari
Partner
Membership No: 38755
UDIN: 220387 55AJHE DF1912

Place: Mumbai
Date: May 20, 2022

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Chief Executive Officer

Sd/-
Rahul Soni
Company Secretary
Membership No. A61305

Sd/-
Bharat A. Desai
Chief Financial Officer

Place: Mumbai
Date: May 20, 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Amount in INR Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax	5,903.45	4,088.19
Adjustments for:		
Depreciation and amortisation expense	223.30	173.25
Interest income classified as investing cash flows	(243.70)	(186.48)
Sundry balance written back	(75.34)	(109.71)
Sundry balances written off	5.38	0.66
Provision for doubtful advances / debts	23.94	-
Exchange rate Fluctuation	(0.94)	0.15
Finance costs	82.78	98.14
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	(1,040.41)	551.56
(Increase)/Decrease in inventories	(556.07)	(1.95)
Increase/(decrease) in trade payables	313.52	(406.22)
(Increase)/ decrease in other financial assets	(477.27)	1,365.59
(Increase)/decrease in other assets	(13.97)	(23.73)
Increase/(decrease) in provisions	9.40	26.22
(Increase)/Decrease in Other bank balance	1,177.54	(3,535.90)
Increase/(decrease) in other financial liabilities	(28.74)	(112.47)
Increase/(decrease) in other current liabilities	180.06	138.68
Cash generated from operations	**5,482.93**	**2,065.97**
Less: Income taxes paid (Net)	(1,451.61)	(1,012.88)
Net cash inflow from operating activities	**4,031.32**	**1,053.09**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(1,389.75)	(305.76)
Sale of property, plant and equipment	-	1.25
Proceeds from Investments	-	0.50
Loans given (net of repayment)	(1,750.09)	(0.28)
Interest received	156.65	79.14
Net cash outflow from investing activities	**(2,983.18)**	**(225.15)**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of Borrowings (Net)	(307.27)	(201.14)
Dividend paid	(1,000.07)	(239.72)
Repayment of Lease Liability	(71.67)	(30.58)
Interest paid	(20.51)	(45.01)
Net cash inflow (outflow) from financing activities	**(1,399.51)**	**(516.44)**
Net increase (decrease) in cash and cash equivalents	(351.37)	311.50
Cash and Cash Equivalents at the beginning of the financial year	397.45	85.95
Cash and Cash Equivalents at end of the year	**46.08**	**397.45**
Cash and cash equivalents as per above comprise of the following:		
Balances with banks	45.17	393.52
Cash on hand	0.90	3.93
Balances per statement of cash flows	**46.08**	**397.45**

Note:

The above statement has been prepared by the 'Indirect Method' as set out in Ind AS 7 on Statement of Cash Flows as prescribed under Section 133 of the Companies Act, 2013.

Significant Accounting Policies and Notes Forming Part of the Financial Statements 1 to 53

As per our report of even date attached
For GMJ & Co
Chartered Accountants
Firm Registration No: 103429W

Sd/-
CA Sanjeev Maheshwari
Partner
Membership No: 38755
UDIN: 220387 55AJHE DF1912

Place: Mumbai
Date: May 20, 2022

For and on behalf of the Board

Sd/-
Sachin D. Patel
Director
DIN: 00033353

Sd/-
Dinesh S. Patel
Chairman
DIN: 00033273

Sd/-
Jagdish G. Kaujalgi
Chief Executive Officer

Sd/-
Rahul Soni
Company Secretary
Membership No. A61305

Sd/-
Bharat A. Desai
Chief Financial Officer

Place: Mumbai
Date: May 20, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A Equity Share Capital **(Amount in INR Lakhs)**

Particulars	Balance at the Beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the year	Balance at the end of the current reporting period
As at March 31, 2021					
Numbers	**1,45,28,702**	-	**1,45,28,702**	-	**1,45,28,702**
Amount	**726.44**	-	**726.44**	-	**726.44**
As at March 31, 2022					
Numbers	**1,45,28,702**	-	**1,45,28,702**	-	**1,45,28,702**
Amount	**726.44**	-	**726.44**	-	**726.44**

B Other Equity **(Amount in INR Lakhs)**

	Reserves and Surplus			
Particulars	**Capital Reserve**	**Securities Premium**	**Retained Earnings**	**Total**
As at March 31, 2020*	15.69	216.44	3,260.99	**3,493.11**
Profit for the period	-	-	3,017.97	**3,017.97**
Other comprehensive income	-	-	(3.07)	**(3.07)**
Total comprehensive income for the year	-	-	**3,014.89**	**3,014.89**
Dividend			(239.72)	**(239.72)**
As at March 31, 2021*	**15.69**	**216.44**	**6,036.16**	**6,268.28**
Profit for the period	-	-	4,362.42	**4,362.42**
Other comprehensive income	-	-	(7.99)	**(7.99)**
Total comprehensive income for the year	-	-	**4,354.43**	**4,354.43**
Dividend			(1,017.01)	**(1,017.01)**
As at March 31, 2022	**15.69**	**216.44**	**9,373.58**	**9,605.70**

*There are no changes in other equity due to change in accounting policy or prior period errors

Significant Accounting Policies and Notes Forming Part of the Financial Statements **1 to 53**

As per our report of even date attached
For GMJ & Co
Chartered Accountants
Firm Registration No: 103429W

Sd/-
CA Sanjeev Maheshwari
Partner
Membership No: 38755
UDIN: 220387 55AJHE DF1912

Place: Mumbai
Date: May 20, 2022

For and on behalf of the Board

Sd/-
Sachin D. Patel
Director
DIN: 00033353

Sd/-
Dinesh S. Patel
Chairman
DIN: 00033273

Sd/-
Jagdish G. Kaujalgi
Chief Executive Officer

Sd/-
Rahul Soni
Company Secretary
Membership No. A61305

Sd/-
Bharat A. Desai
Chief Financial Officer

Place: Mumbai
Date: May 20, 2022

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1 Corporate Information

These statements comprise financial statements of Gujarat Themis Biosyn Limited (CIN: L24230GJ1981PLC004878) ('the company') for the year ended March 31, 2022. The company is a public company domiciled in India and is incorporated on December 11, 1981 under the provisions of the Companies Act applicable in India. Its shares are listed on a recognised stock exchange in India. The registered office of the company is located at Plot No 69C, G.I.D.C Industrial Estate, Vapi district Valsad, Gujarat -396 195.

"The Company is principally engaged in the activities pertaining to manufacturing of pharmaceuticals and medicinal chemicals. The financial statements were authorised for issue in accordance with a resolution of the directors on May 20, 2022."

2 Significant Accounting Policies

2.1 Basis of preparation

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

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

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

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

2.2 Summary of significant accounting policies

(a) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on straight line basis using the useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013. If the management's estimate of the useful life of a item of property, plant and equipment at the time of acquisition or the remaining useful life on a subsequent review is shorter than the envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term. Leasehold land is amortised on a straight line basis over the balance period of lease.

The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(b) Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

(c) Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

(d) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is entity's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(f) Financial Instruments

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

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

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

(i) Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Fair Value through other comprehensive income

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

(i) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

(ii) Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

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

(g) Trade Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

(h) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(i) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred income tax is recognized using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Minimum alternate Tax

MAT payable for a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available in the statement of profit and loss as deferred tax with a corresponding asset only to the extent that there is probability that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is shown as 'MAT Credit Entitlement' under Deferred Tax. The Company reviews the same at each reporting date and writes down the asset to the extent the Company does not have probable certainty that it will pay normal tax during the specified period.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out (FIFO) basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on FIFO basis.

Stores and Spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out (FIFO) basis.

Materials in transit: cost incurred to date.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that werenot completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Recognising revenue from major business activities

(i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

(ii) Job work

Revenue from job work is recognised on completion of assigned job. Revenue in respect of job work completed as at the end of the reporting period for which no bills have been raised is classified as unbilled revenue.

(iii) Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

(iv) Export Incentives

Export Benefits (DEPB) are accounted on accrual basis.

(l) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans viz gratuity,

(b) defined contribution plans viz provident fund.

Gratuity obligations

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

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

(m) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(o) Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate (EIR) applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

"Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted."

All other borrowing costs are recognised as an expense in the period which they are incurred.

(p) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(q) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) Cash and cash equivalents

"Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management."

(s) Non-current assets (or disposal groups) classified as held for disposal:

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell.

To classify any Asset as "Asset held for disposal" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for disposal". Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated.

(t) Current/non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- t is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

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

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

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

(i) Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

(ii) Estimation of net realizable value for inventories

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

(iii) Impairment of non - financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

(iv) Recoverability of trade receivables

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

(v) Useful lives of property, plant and equipment/intangible assets

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

(vi) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note above.

(vii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

4. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(Amount in INR Lakhs)

Particulars	Land	Buildings	Staff Quarters	Plant and Equipment	Furniture and Fixtures	Vehicles	Erection and Office Equipment	Computer	PPE Total	Capital Work in Progress	Total
GROSS CARRYING VALUE											
As at March 31, 2020	**6.98**	**132.47**	**0.20**	**2,029.98**	**11.16**	**1.03**	**9.33**	**1.76**	**2,192.91**	**36.01**	**2,228.91**
Additions	-	22.97	-	104.48	-	5.80	-	1.13	134.38	298.83	433.21
Disposals	-	-	-	-	-	(1.03)	-	-	(1.03)	(127.45)	(128.48)
Other Adjustments											
As at March 31, 2021	**6.98**	**155.43**	**0.20**	**2,134.46**	**11.16**	**5.80**	**9.33**	**2.89**	**2,326.26**	**207.39**	**2,533.65**
Additions	-	-	-	262.84	7.25	-	-	1.79	271.88	1,332.25	1,604.13
Disposals	-	-	-	-	-	-	-	-	-	(269.84)	(269.84)
Other Adjustments											
As at March 31, 2022	**6.98**	**155.43**	**0.20**	**2,397.30**	**18.42**	**5.80**	**9.33**	**4.67**	**2,598.14**	**1,269.80**	**3,867.94**
ACCUMULATED DEPRECIATION/IMPAIRMENT											
As at March 31, 2020	**0.55**	**18.37**	**0.04**	**451.61**	**5.60**	**1.01**	**7.38**	**0.59**	**485.13**	**-**	**485.13**
Depreciation for the year	0.14	6.19	0.01	129.60	4.45	0.15	1.73	1.31	143.58	-	143.58
Disposals	-	-	-	-	-	(1.01)	-	-	(1.01)	-	(1.01)
As at March 31, 2021	**0.68**	**24.56**	**0.05**	**581.21**	**10.05**	**0.15**	**9.10**	**1.90**	**627.70**	**-**	**627.70**
Depreciation for the year	0.14	8.29	0.01	134.73	2.25	1.76	0.17	0.73	148.08	-	148.08
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	**0.82**	**32.85**	**0.05**	**715.94**	**12.30**	**1.92**	**9.27**	**2.63**	**775.78**	**-**	**775.78**
Net Carrying value as at March 31, 2022	**6.17**	**122.58**	**0.15**	**1,681.36**	**6.11**	**3.88**	**0.06**	**2.04**	**1,822.36**	**1,269.80**	**3,092.16**
Net Carrying value as at March 31, 2021	**6.30**	**130.87**	**0.16**	**1,553.26**	**1.11**	**5.65**	**0.23**	**0.99**	**1,698.56**	**207.39**	**1,905.95**

Note - No revaluation has been done during the year

Capital Work-in-Progress

Ageing of CWIP as on 31st March, 2022

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress					
Project 1- Project in Vapi Factory	809.94	178.92	0.50	1.43	990.79
Project 2- P&M	271.40	7.61	-	-	279.01
Total (A)	**1,081.34**	**186.53**	**0.50**	**1.43**	**1,269.80**
Project temporarily suspended					
Total (B)	**-**	**-**	**-**	**-**	**-**
Total (A+B)	**1,081.34**	**186.53**	**0.50**	**1.43**	**1,269.80**

Ageing of CWIP as on 31st March, 2021

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress					
Project 1- Project in Vapi Factory	171.61	0.50	-	-	**172.11**
Project 2- P&M	35.28	-	-	-	**35.28**
Total (A)	**206.89**	**0.50**	**-**	**-**	**207.39**
Project temporarily suspended					
Total (B)	-	-	-	-	-
Total (A+B)	**206.89**	**0.50**	**-**	**-**	**207.39**

Notes:

i. **Property, Plant and Equipment given as collateral security against borrowings by the company**
Refer to Note 36 for information on property, plant and equipment given as collateral security by the company.

ii. **Contractual Obligations**
Refer to Note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4 (a). RIGHT - OF - USE ASSETS

(Amount in INR Lakhs)

Particulars	ROU	Total
GROSS CARRYING VALUE		
As at March 31, 2020		
Impact of adoption of Ind AS 116	-	-
Additions	225.66	225.66
As at March 31, 2021	**225.66**	**225.66**
Additions	**-**	-
As at March 31, 2022	**225.66**	**225.66**
ACCUMULATED DEPRECIATION/IMPAIRMENT		
As at March 31, 2020		
Depreciation for the year	29.68	29.68
As at March 31, 2021	**29.68**	**29.68**
Depreciation for the year	75.22	75.22
As at March 31, 2022	**104.89**	**104.89**
Net Carrying value as at March 31, 2022	**120.76**	**120.76**
Net Carrying value as at March 31, 2021	**195.98**	**195.98**

Note - No revaluation has been done during the year

5. FINANCIAL ASSETS

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
LOANS		
Current		
Others		
Loans considered good - Unsecured		
Loans to Employees	1.92	1.83
Inter corporate deposits	1,750.00	-
Total	**1,751.92**	**1.83**
OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Deposits with Financial institution more than 12 months maturity	891.09	123.65
Interest Accrued on deposit	21.77	5.74
Bank Deposits with more than 12 months maturity	7.52	1.00
Interest Accrued on Bank deposit	0.31	0.10
Total	**920.69**	**130.49**
Current		
Financial assets carried at amortised cost		
Deposits with Financial institution less than 12 months maturity	1,002.80	1,292.00
Interest Accrued on Bank deposit and others	145.03	168.76
Loans due by directors or other officers of the company or any of them either severally or jointly with any other person amounted to NIL (Previous year INR NIL)		
Loans due from firms or private companies in which any director is a partner, a director or a member amounted to INR NIL (Previous year INR NIL)		
Total	**1,147.83**	**1,460.76**

6. INVENTORIES

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Valued at lower of Cost and Net Realisable value)		
Raw materials		
Raw materials	142.59	111.91
Work-in-process	261.84	279.15
Finished goods	700.01	169.63
Stores and spares	33.82	27.44
Others		
Steam Coal	6.79	3.97
Diesel Oil	6.55	4.84
Furnace Oil/LDO	7.65	6.67
Packing Material	1.73	1.30
Total	**1,160.97**	**604.89**

7. TRADE RECEIVABLES

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Trade Receivables [1]	2,511.82	1,471.40
	2,511.82	**1,471.40**
Breakup of Security details		
Secured, considered good	-	-
Unsecured, considered good	2,511.82	1,471.40
Which have significant increase in credit risk	52.01	52.01
Credit Impaired	-	-
	2,563.83	**1,523.41**
Loss Allowance (allowance for bad and doubtful debts)		
Loss Allowance	52.01	52.01
Includes dues from related party		
	52.01	**52.01**
Total	**2,511.82**	**1,471.40**

[1] Includes dues from related party.

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to NIL (Previous year INR NIL)

Trade or Other Receivable due from firms or private companies in which any director is a partner, a director or a member amounted to INR NIL (Previous year INR NIL)

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2022

		Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed trade receivables considered good	-	2,511.82	-	-	-	-	**2,511.82**
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	**-**
Disputed trade receivables considered good	-	-	-	-	-	-	**-**
Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	52.01	**52.01**
Disputed trade receivables - credit impaired	-	-	-	-	-		**-**
Total(A)	**-**	**2,511.82**	**-**	**-**	**-**	**52.01**	**2,563.83**
Loss Allowance	-	-	-	-	-	52.01	**52.01**
Total(B)	**-**	**-**	**-**	**-**	**-**	**52.01**	**52.01**
Total [A-B}	**-**	**2,511.82**	**-**	**-**	**-**	**-**	**2,511.82**

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2022

		Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6m-1years	1-2 year	2-3 year	More than 3 years	Total
Undisputed trade receivables considered good	-	1,262.28	25.68	51.22	29.78	102.45	**1,471.40**
Undisputed trade receivables which have significant increase in credit risk	-	-		-	-	-	**-**
Undisputed trade receivables - credit impaired	-	-		-	-	-	**-**
Disputed trade receivables considered good	-	-		-	-	-	**-**
Disputed trade receivables which have significant increase in credit risk	-	-		-	-	52.01	**52.01**
Disputed trade receivables - credit impaired	-	-		-	-		**-**
Total(A)	**-**	**1,262.28**	**25.68**	**51.22**	**29.78**	**154.46**	**1,523.41**
Loss Allowance	-	-		-	-	52.01	**52.01**
Total(B)	**-**	**-**	**-**	**-**	**-**	**52.01**	**52.01**
Total [A-B}	**-**	**1,262.28**	**25.68**	**51.22**	**29.78**	**102.45**	**1,471.40**
There are no unbilled recievables as at 31st March, 2022 and 31st March, 2021.							

8. CASH AND CASH EQUIVALENTS

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks*	45.17	393.52
Cash on hand	0.90	3.93
Total	**46.08**	**397.45**

*Note: It's include Unpaid dividend account

9. OTHER BANK BALANCES

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money deposits with original maturity for more than 12 months* (Margin money to secure Bank Guarantee)	33.75	35.61
Bank Deposits with less than 12 months maturity	1,155.07	2,330.76
Total	**1,188.82**	**2,366.37**

*Margin money deposit amounted to INR 33.75 Lakhs (March 31, 2021 INR 35.61 Lakhs) are lien marked against secure Bank Guarantee.

10. OTHER ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Capital Advances	156.66	101.20
Advances other than Capital advances		
- Security Deposits	66.48	61.83
- Advances to creditors	41.94	34.13
Others		
Prepaid expenses	0.58	0.90
Payment of taxes (net of provisions)	12.20	63.85
Total	**277.86**	**261.91**
Current		
Prepaid expenses	31.18	29.45
Total	**31.18**	**29.45**

11. INCOME TAX

Deferred Tax

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax relates to the following:		
Temporary difference in the carrying amount of property, plant and equipment	(135.23)	(120.21)
Temporary difference in the carrying amount of financial instruments at amortised cost	(2.40)	(10.06)
Provision for employee benefits	22.18	19.25
Loss allowances on financial assets	13.09	13.09
Net Deferred Tax Assets / (Liabilities)	**(102.36)**	**(97.93)**

Movement in deferred tax liabilities/assets

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance as of April 1, 2021	(97.93)	**(86.39)**
Tax income/(expense) during the period recognised in profit or loss	(7.24)	(12.62)
Tax income/(expense) during the period recognised in OCI	2.81	1.08
Closing balance as at March 31, 2022	**(102.36)**	**(97.93)**

	As at March 31, 2022	As at March 31, 2021
Unrecognised deferred tax assets		
Unrecognised tax losses	-	-

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax losses carried forward by the Company

Major Components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are as follows:

(Amount in INR Lakhs)

i. Income tax recognised in profit or loss

	Year ended March 31, 2022	Year ended March 31, 2021
Current income tax charge	1,500.76	1,035.00
Adjustment in respect of current income tax of previous year	33.03	22.61
Deferred tax		
Relating to origination and reversal of temporary differences	7.24	12.62
Income tax expense recognised in profit or loss	**1,541.04**	**1,070.23**

ii. Income tax recognised in OCI

	As at March 31, 2022	As at March 31, 2021
Net loss/(gain) on remeasurements of defined benefit plans	2.81	1.08
Income tax expense recognised in OCI	**2.81**	**1.08**

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2022 and March 31, 2021

	As at March 31, 2022	As at March 31, 2021
Accounting profit before income tax	**5,903.45**	**4,088.19**
Enacted tax rate in India	25.17%	25.17%
Income tax on accounting profits	**1,485.78**	**1,028.92**
Tax Effect of		
Depreciation	(14.99)	(14.24)
Expenses not allowable or considered separately under Income Tax	29.97	20.33
Adjustment in respect of current income tax of previous year	33.03	22.61
Due to Temporary difference	7.24	12.62
Tax at effective income tax rate	**1,541.04**	**1,070.23**

12. EQUITY SHARE CAPITAL

(Amount in INR Lakhs)

i. Authorised Share Capital

Particulars	Equity Shares of INR 5 each		Preference Shares of INR 100 each	
	Number	Amount	Number	Amount
At April 1, 2020	27,200,000	1,360.00	30,000	30.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2021	27,200,000	1,360.00	30,000	30.00
Increase/(decrease) during the year	-	-	-	-
At March 31, 2022	**27,200,000**	**1,360.00**	**30,000**	**30.00**

Particulars	Unclassified Shares of INR 5 each	
	Number	Amount
At April 1, 2020	22,200,000	1,110.00
Increase/(decrease) during the year	-	-
At March 31, 2021	22,200,000	1,110.00
Increase/(decrease) during the year	-	-
At March 31, 2022	**22,200,000**	**1,110.00**

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii. Issued, Subscribed and Paid up Capital

(Amount in INR Lakhs)

Particulars	Number	Amount
Equity shares of INR 5 each issued		
At April 1, 2020	14,528,800	726.44
Issued during the period	-	-
At March 31, 2021	14,528,800	726.44
Issued during the period	-	-
At March 31, 2022	**14,528,800**	**726.44**

Particulars	Number	Amount
Equity shares of INR 5 each subscribed and paid up		
At April 1, 2020	14,528,800	726.44
Less: Calls unpaid (other than directors)	-	(0.04)
	14,528,800	**726.40**
At March 31, 2021	14,528,800	726.44
Less: Calls unpaid (other than directors)	-	(0.04)
	14,528,800	**726.40**
At March 31, 2022	14,528,800	726.44
Less: Calls unpaid (other than directors)	-	-
	14,528,800	**726.44**

iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% of total holding	Number	% of total holding
Equity shares of INR 5 each fully paid				
Pharmaceutical Business Group India Limited	7,432,000	51.15%	3,582,000	24.65%
Themis Medicare Limited	3,369,605	23.19%	3,369,605	23.19%
Yuhan Corporation	-	0.00%	3,850,000	26.50%

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

v. Shares reserved for issue under options

None of the above shares are reserved for the issue under option/contract/commitments for sale of shares or disinvestment.

vi. Shares held by Holding Company

(Amount in INR Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Equity Shares of Rs 5 each				
Pharmaceutical business group (india) Limited (W.e.f 17.09.2021)	7,432,000	371.60	3,582,000	179.10

vii. Details of shareholdings by the Promoter's of the Company

Promoters name	As per 31st March 2022		As per 31st March 2021		% Change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
Pharmaceutical Business Group [india] Ltd	7,432,000	51.15%	3,582,000	24.65%	-
Themis Medicare Limited	3,369,605	23.19%	3,369,605	23.19%	-
Jayshree D Patel	70,645	0.49%	70,645	0.49%	-
Sachin Dinesh Patel	7,100	0.05%	7,100	0.05%	-
Reena S Patel	5,600	0.04%	5,600	0.04%	-
Dinesh Shantilal Patel	4,701	0.03%	4,701	0.03%	-
Anay Rupen Choksi	3,047	0.02%	3,047	0.02%	0.00%
Nysha Rupen Choksi	3,047	0.02%	3,047	0.02%	-
Yuhan Corporation	-	0.00%	3,850,000	26.50%	26.50%
Total Promoters shares outstanding	**10,895,745**	**74.99%**	**10,895,745**		
Total GTBL shares outstanding	**14,528,800**		**14,528,800**		

viii. Dividend

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's dividend policy.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Declared and paid during the year:*		
Interim Dividend for the FY 2021-22: Rs 7 per share**	1,017.01	-
Final Dividend for the year ended on 31st March, 2020 : Rs 1.65 per share	-	239.72

*Dividend declared and paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

** It includes unpaid dividend.

13. OTHER EQUITY

Reserves and Surplus **(Amount in INR Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Reserve	15.69	15.69
Securities Premium	216.44	216.44
Retained Earnings	9,373.58	6,036.16
Total	**9,605.70**	**6,268.28**

(a) Capital Reserve **(Amount in INR Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	15.69	15.69
Add/(Less): changes during the year	-	-
Closing balance	**15.69**	**15.69**

Capital reserves represents cash subsidy received from the Government of Gujarat.

(b) Securities Premium **(Amount in INR Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	216.44	216.44
Add/(Less): changes during the year	-	-
Closing balance	**216.44**	**216.44**

The amount received in excess of face value of the equity shares is recognised in Share Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(c) Retained Earnings **(Amount in INR Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	6,036.16	3,260.99
Net Profit for the year	4,362.42	3,017.97
Add/(Less):		
Dividend	(1,017.01)	(239.72)
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of post employment benefit obligation, net of tax	(7.99)	(3.07)
Closing balance	**9,373.58**	**6,036.16**

14. BORROWINGS

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current Borrowings		
Unsecured		
Term Loans From Others		
Loan from Optimus Drugs Pvt. Ltd. (Note 1)	-	302.82
(A)	-	**302.82**
Current Maturity of Non Current Borrowings		
Unsecured		
Term Loans From Others		
Loan from Optimus Drugs Pvt. Ltd. (Note 1)	-	302.82
(B)	-	**302.82**
Total (A-B)	-	-
Current Borrowings		
Secured		
Loans repayable on demand from Banks		
Cash credit(Note 2)	-	-
Current Maturity of Non Current Borrowings		
Unsecured		
Term Loans From Others		
Loan from Optimus Drugs Pvt. Ltd. (Note 1)	-	302.82
Total	-	**302.82**

A. NON CURRENT BORROWING

Note 1: Optimus Druls Pvt. Ltd. has granted a unsecured Loan @ 7.5% interest bearing amount of INR 600 Lakhs and INR 400 Lakhs for a period of 32 months and 28 months respectively with a moratorium on repaymant of tiis principal and Interest till October 31, 2019. The Loan is repayable in 24 monthly installments.

B. CURRENT BORROWINGS

Note 2: CASH CREDIT FROM BANK

Cash Credit from Bank (Secured) are repayable on demand and carries interest at (base rate + 1.30%) i.e. ranging 8.30% p.a. to 8.35% p.a. (March 2018: ranging 8.30% p.a. to 8.88% p.a.) which is payable at the end of each month and are secured by hypothecation of book debts / receivables upto 90 days and collateral security of Factory Premises at GIDC, Vapi, Valsad, Gujarat and Plant & Machinery. Further, personal guarantee of one of the Director and the Corporate Guarantee by Pharmaceutical Business Group (India) Limited is given to the Company's Banker.

Borrowings Secured against Current Assets

The company has filed quaterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with books of account other than those as set out below:

Name of the Bank	Quarter	Particulars of Securities Provided	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference*
Union Bank of India	30-Jun-21	Book Debts & Stocks	2,173.40	2,031.13	142.26
Union Bank of India	30-Jun-20	Book Debts & Stocks	2,465.75	1,903.44	562.30
Union Bank of India	30-Sep-21	Book Debts & Stocks	2,672.78	3,442.39	-769.61
Union Bank of India	30-Sep-20	Book Debts & Stocks	3,864.44	2,975.93	888.50
Union Bank of India	31-Dec-21	Book Debts & Stocks	4,042.57	2,649.80	1392.76
Union Bank of India	31-Dec-20	Book Debts & Stocks	4,055.62	3,157.97	897.64
Union Bank of India	31-Mar-22	Book Debts & Stocks	4,228.34	3,356.15	872.18
Union Bank of India	31-Mar-21	Book Debts & Stocks	1,693.55	1,754.24	-60.69

*Difference is primarily due to Book debts / receivables (excluding balance receivables from related party) upto 90 days was considered in quarterly return/ statement and reported amount is gross of provisions.

Note : Aggregate working capital limits sanctioned is Rs 5 Cr

C. The Company does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting balance sheet date.

D. There are no loans or advances in the nature of loans taken from Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Borrowings	-	302.82
Non-current Borrowings	-	-
Interest accrued	-	22.99
Liability for expenses-Loan payable	-	335.14
Net Debt	**-**	**660.95**

(Amount in INR Lakhs)

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings	
Net Debt as at March 31, 2020	819.76	-	**819.76**
Cash Inflow	-	-	**-**
Cash Outflow	(201.14)	-	**(201.14)**
Interest Expense	43.45	-	**43.45**
Interest Paid	(25.20)	-	**(25.20)**
Fair Value Adjustments	24.08	-	**24.08**
Net Debt as at March 31, 2021	**660.95**	**-**	**660.95**
Cash Inflow	-	-	-
Cash Outflow	(637.95)	-	(637.95)
Interest Expense	48.78	-	48.78
Interest Paid (Including PY)	(71.78)	-	(71.78)
Fair Value Adjustments	-	-	-
Net Debt as at March 31, 2022	**-**	**-**	**-**

14 (a). LEASE LIABILITIES

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Lease Liabilities	41.91	100.14
Total	**41.91**	**100.14**
Current		
Lease Liabilities	75.00	79.95
Total	**75.00**	**79.95**

15. OTHER FINANCIAL LIABILITIES

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Financial Liabilities at amortised cost		
Interest accrued and due on borrowings	-	22.99
Sundry creditors for capital asset	145.46	-
Liability for expenses	367.68	606.04
Unpaid dividends	16.94	-
Total	**530.09**	**629.04**

16. TRADE PAYABLES

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Trade Payables to Micro enterprises and Small enterprises	62.72	1.07
Trade Payables to Creditors other than micro enterprises and small enterprises	599.10	352.68
Total	**661.82**	**353.75**

Terms and conditions of the above financial liabilities:

1. Trade payables are non-interest bearing and are normally settled on 60-day terms
2. For terms and conditions with related parties, refer note 31

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022

		Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Undisputed Dues - MSME	-	62.72	-	-	-	**62.72**
Undisputed Dues - Others	-	584.18	1.01	1.16	3.14	**599.10**
Disputed Dues - MSME	-	-	-	-	-	**-**
Disputed Dues - Others	-	-	-	-	9.60	**-**
Total	**-**	**646.90**	**1.01**	**1.16**	**12.74**	**661.82**

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2021

		Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Dues - MSME	-	1.07	-	-	-	**1.07**
Undisputed Dues - Others	-	331.50	4.46	2.77	4.35	**352.68**
Disputed Dues - MSME	-	-	-	-	-	**-**
Disputed Dues - Others	-	-	-	-	9.60	**-**
Total	**-**	**332.57**	**4.46**	**2.77**	**13.95**	**353.75**

There are no unbilled dues as at 31st March, 2022 and 31st March, 2021.

17. OTHER LIABILITIES

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Advance received from Customers	0.19	0.21
Statutory Liabilities	255.07	74.98
Total	**255.25**	**75.19**

* Includes Goods and service tax, Excise duty, Service tax and TDS, etc.

18. PROVISIONS

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current		
Provision for employee benefits		
Gratuity	36.17	32.45
Leave encashment	21.73	18.94
Total	**57.91**	**51.39**
Current		
Provision for employee benefits		
Gratuity	17.05	14.99
Leave encashment	5.53	4.70
Total	**22.58**	**19.69**

19. CURRENT TAX LIABILITY(NET)

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	121.88	68.63
Add: Current tax payable for the year	1,500.76	1,035.00
Add: Current tax payable for the earlier year (Net of excess)	-	22.61
Less: Taxes paid (including for earlier year adjustment)	(1,451.61)	(1,004.35)
Closing Balance	**171.03**	**121.88**

20. REVENUE FROM OPERATIONS

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products		
Finished Products	11,419.17	9,042.50
Scrap sales	66.22	13.77
Total	**11,485.39**	**9,056.27**

21. OTHER INCOME

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income		
Interest income on Bank fixed deposits		
Loans to related parties		
Loans to others		
- On Deposits including margin money	155.78	146.65
- On Inter Corporate deposit	83.28	-
- On Income Tax Refund	-	38.13
Excess provision written back	70.83	94.44
Net gain on disposal of property, plant and equipment	-	1.22
Miscellenous Income	0.31	-
Gain on foreign currency transaction	0.94	-
Sundry balance written back	4.51	15.28
Notice pay recovery	2.31	0.62
Interest on Delay Payments	82.40	28.62
Interest Income on Security deposit	4.64	1.69
Total	**405.01**	**326.66**

22. COST OF MATERIALS CONSUMED

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Raw Material		
Raw Material	2,111.15	1,539.43
Laboratory consumables and chemicals	20.45	7.94
Freight on raw materials	12.13	11.79
Packing material consumed	30.91	16.12
Total	**2,174.63**	**1,575.29**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories as at the beginning of the year		
Work - in - process	279.15	101.47
Finished goods	169.63	309.20
Stock-in-trade	-	-
Total	**448.78**	**410.67**
Less : Inventories as at the end of the year		
Work - in - process	261.84	279.15
Finished goods	700.01	169.63
Stock-in-trade	-	-
Total	**961.84**	**448.78**
Net decrease / (increase) in inventories	**(513.07)**	**(38.11)**

24. EMPLOYEE BENEFITS EXPENSE

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	664.30	670.06
Contribution to provident and other funds	23.41	23.48
Gratuity Expense	5.63	4.97
Staff welfare expenses	15.02	12.76
Total	**708.36**	**711.27**

25. FINANCE COST

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expenses		
- Interest paid on Term loans	48.78	44.07
- Interest cost on gratuity	3.28	2.38
Bank and other finance Charges	9.40	4.90
Other Borrowings costs	0.10	14.29
Ind AS adjustment		
Unwinding of finance cost	4.45	24.08
Interest expense on Lease Liabilities	16.77	8.42
Total	**82.78**	**98.14**

26. DEPRECIATION AND AMORTISATION EXPENSE

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on tangible assets	148.08	173.25
Depreciation on ROU	75.22	-
Total	**223.30**	**173.25**

27. OTHER EXPENSES

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores and spares	427.65	563.57
Power charges	1,489.85	1,260.15
Fuel charges	594.68	329.44
Water charges	88.33	67.08
Insurance	41.40	40.30
Rates and taxes	16.14	21.19
Donation	14.08	0.25
Legal and professional fees	33.99	19.02
Repairs and maintenance		
Building	38.82	62.32
Plant and Machinery	97.36	77.23
Others	14.75	5.92
Disposal Charges for removal of waste material	174.78	132.19
Central Effluent Treatment Charges	37.99	27.70
Drainage Cess Charges	7.65	4.97
Corporate Social Responsibility Expense (Refer Note 38)	54.56	31.53
Vehicle Expenses	1.68	12.48
Payments to auditors*	5.75	4.48
Security Charges	14.49	17.00
Testing and Analytical Charges	4.32	3.80
Printing and Stationary Expenses	7.35	5.57
Provision for Doubtful debts/Advances	23.94	-
Travelling and conveyance expenses	4.00	0.93
Hire Charges	8.27	28.33
Commission & Brokerage	-	6.50
Postage and Telegram Charges	0.40	1.51
Reimbersement of Clearing & Forwarding	-	-
Telephone and Telex Charges	1.25	0.78
Freight and Forwarding	29.24	19.24
Job work charges	-	10.00
Sundry balances written off	5.38	0.66
Research and Development Expense	45.00	-
Miscellaneous expenses	27.84	20.60
Foreign Exchange Fluctuation	-	0.15
Total	**3,310.95**	**2,774.90**

***Payments to auditors**

(Amount in INR Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
As auditor		
Audit Fee	3.50	2.50
Tax audit fee	0.75	0.75
Limited review fee	0.75	1.50
Other services		
(certification fees)	-	0.18
Total	**5.75**	**4.48**

28. EARNINGS PER SHARE

(Amount in INR Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Face Value per Equity Share	**5.00**	**5.00**
(a) Basic and Diluted earnings per share (INR)	**30.03**	**20.77**
(b) Reconciliations of earnings used in calculating earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	4,362.42	3,017.97
Adjustments for calculation of diluted earnings per share:	-	-
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**4,362.42**	**3,017.97**
(c) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,45,28,702	14,528,702
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**1,45,28,702**	**14,528,702**

29. EMPLOYEE BENEFIT OBLIGATIONS

(Amount in INR Lakhs)

	Year Ended March 31, 2022			Year Ended March 31, 2021		
	Current	Non Current	Total	Current	Non Current	Total
Provisions						
Leave Encashment	5.53	21.73	**27.26**	4.70	18.94	**23.63**
Gratuity	17.05	36.17	**53.22**	14.99	32.45	**47.45**
Employee Benefit Obligations	**22.58**	**57.91**	**80.48**	**19.69**	**51.39**	**71.08**

(i) Other Long term employee benefits - Leave Obligations

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 5.53 Lakhs (March 31, 2021: INR 4.70 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employment obligations

a) Defined benefit plan - Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is an **unfunded plan**.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

(Amount in INR Lakhs)

	Present value of obligation
As at March 31, 2020	37.28
Current service cost	4.77
Interest expense/(income)	2.58
Total amount recognised in profit or loss	**7.35**
Remeasurements	
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	0.22
Actuarial (Gain)/Loss on arising from Experience Adjustment	3.93
Total amount recognised in other comprehensive income	**11.50**
Employer contributions	-
Benefit payments	(1.33)
As at March 31, 2021	**47.45**
Current service cost	5.63
Interest expense/(income)	3.28
Total amount recognised in profit or loss	**8.91**
Remeasurements	
Actuarial (Gain)/Loss from change in demographic assumptions	(0.88)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(1.10)
Actuarial (Gain)/Loss on arising from Experience Adjustment	12.78
Total amount recognised in other comprehensive income	**19.70**
Employer contributions	-
Benefit payments	(13.92)
As at March 31, 2022	**53.22**

The significant actuarial assumptions were as follows:

	Year Ended March 31, 2022	Year Ended March 31, 2021
Discount rate	7.32%	6.91%
Salary growth rate	5.00%	5.00%
Retirement Age	58 years	58 years

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 and March 31, 2022 is shown below:

(Amount in INR Lakhs)

Assumptions	Discount rate		Employee turnover rate	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
March 31, 2022				
Impact on defined benefit obligation	(1.37)	1.46	1.49	(1.41)
% Impact	-2.58%	2.75%	2.80%	-2.64%
March 31, 2021				
Impact on defined benefit obligation	(1.18)	1.25	1.27	(1.21)
% Impact	-2.49%	2.63%	2.67%	-2.54%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected to the defined benefit plan in future years:

(Amount in INR Lakhs)

	Year Ended March 31, 2022	Year Ended March 31, 2021
1st following year	24.74	18.66
2nd following year	6.12	10.20
3rd following year	7.59	6.96
4th following year	9.14	8.99
5th following year	8.54	9.98
Total expected payments	**56.13**	**54.78**

The average duration of the defined benefit plan obligation at the end of the reporting period is 19.89 years.

b) Defined contribution plans - Provident fund

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 14.10 Lakhs (March 31, 2021: INR 16.99 Lakhs).

30. COMMITMENTS AND CONTINGENCIES

A. Commitments

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided.	264.80	101.20
Total	**264.80**	**101.20**

B. Contingent Liabilities

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i. Claim against the company not acknowledged as debt		
Civil cases liabilities	28.16	28.16
ii. Guarantees excluding financial guarantees		
Bank Guarantee given by UBI to DGVCL	197.75	197.75
ii. Other money for which the company is contingently liable		
Disputed Labour Dues	173.61	161.62
	399.52	**387.53**

The Company's pending litigations comprise of claim against the Company and proceedings pending with Statutory and Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, whenever required and disclosed the contingent liabilities, whenever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

31. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Country of Incorporation
Enterprises exercising control	
Holding Company	
Pharmaceutical Business Group (India) Limited (PBG) (w.e.f 17.09.2021)	India
Entities having significant influence over the Company	
Themis Medicare Limited	India
Themis Distributors Private Limited	India
Vividh Distributors Private Limited	India
Vividhmargi Investment Private Limited	India
Themis Lifestyle Private Limited	India
Long Island Nutritionals Private Limited	India
Richter Themis Medicare (India) Private Limited	India
Venturer In joint Venture	
Yuhan Corporation (upto 16.09.2021)	South Korea

Directors

Dinesh Shantilal Patel
Sachin Dinesh Patel
Vijay Gopi Kishan Agarwal (Independent)
Preeti Kaushik Trivedi (Independent) (Upto 02.05.2021)
Kirandeep Madan (Independent) (w.e.f 01.05.2021)
Siddharth Yogesh Kusumgar (Independent)
Vikram Dulerai Sanghvi (Independent)
Han Kon Kim (Upto 18.09.2021)
Namjin Seung Park (Upto 14.05.2021)
Taejin Yoon (From 04.06.2021 to 18.09.2021)
Hinesh Rameshchandra Doshi, Alternate To Mr. Namjin Seung Park (Upto 14.05.2021)
Hinesh Rameshchandra Doshi, Alternate To Mr. Taejin Yoon (From 04.06.2021 to 18.09.2021)

Key Management Personnel

Jagdish G. Kaujalgi (Chief Executive Officer)
Bharat A. Desai (Chief Finance Officer)
Parag Bodha (Company Secretary) (Upto 11.05.2021)
Rahul Soni (Company Secretary) (w.e.f 12.05.2021)

(ii) Transactions with related parties for the year ended March 31, 2022

(Amount in INR Lakhs)

Name	Nature of Transaction	Year ended March 31, 2022	Year ended March 31, 2021
Themis Medicare Limited	Job Work Charges	-	37.33
	Sales of Rifamycin-S	31.37	-
	Purchase of Fermentor	141.56	-
Jagadish G Kaujalgi	Remuneration (including reimbursement)	14.60	13.36
Bharat A Desai	Remuneration (including reimbursement)	7.95	7.44
Rahul Soni	Remuneration (including reimbursement)	5.11	-
Parag Bodha	Remuneration (including reimbursement)	0.80	4.84

(iii) Outstanding trade related balances (Amount in INR Lakhs)

Name	Year ended March 31, 2022	Year ended March 31, 2021
Trade Receivables		
Themis Medicare Limited	127.11	206.53

(iv) Outstanding balances (Amount in INR Lakhs)

Name	Year ended March 31, 2022	Year ended March 31, 2021
Other receivables		
Pharmaceutical Business Group (India) Limited	-	0.19
Remuneration Payable		
Jagadish G Kaujalgi	0.98	2.59
Bharat A. Desai	0.68	1.45
Rahul Soni	0.41	0.76

(v) Key management personnel compensation (Amount in INR Lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Short term employee benefits	29.11	25.64
Post-employment benefits*	-	-
Long term employee benefits*	-	-
Directors sitting fees	8.20	6.00
Termination benefits	-	-
	37.31	**31.64**

* The amounts of Long term employee benefits and post-employment benefits cannot be seperately identified from the composite amount advised by the actuary/valuer.

(vi) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. The Company has not issued any financial guarantees to the lenders on behalf of its related parties. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2021: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

32. SEGMENT REPORTING

The company primarily operates in one business segment only i.e. Manufacturing of bulk drugs for its own and for job work basis for others, which is the only reportable segment. There is no other segment which requires reporting as per Ind AS 108 "Operating Segments".

Revenue arising from sale of products to two customers amounted to INR 4186.56 Lakhs and 6244.16 Lakhs (March 31, 2021: two customer amounted INR 6,177.63 Lakhs and 2,649.60 Lakhs), exceeds 10% of revenue from operations of the Company.

33. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category **(Amount in INR Lakhs)**

Particulars	Carrying Amount		Fair Value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	2,511.82	1,471.40	2,511.82	1,471.40
Cash and Cash Equivalents	46.08	397.45	46.08	397.45
Other Bank Balances	1,188.82	2,366.37	1,188.82	2,366.37
Loans	1,751.92	1.83	1,751.92	1.83
Other Financial Assets	2,068.52	1,591.26	2,068.52	1,591.26
Total	**7,567.16**	**5,828.30**	**7,567.16**	**5,828.30**
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	-	605.63	-	605.63
Lease liabilities	116.91	180.09	116.91	180.09
Trade Payables	661.82	353.75	661.82	353.75
Other financial liabilities	530.09	629.04	530.09	629.04
Total	**1,308.81**	**1,465.69**	**1,308.81**	**1,465.69**

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

The fair values of current and non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Fair value measurement

Level 1 -Hierarchy includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

ii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iii. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

34. FINANCIAL RISK MANAGEMENT

The Company's activity exposes it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictibility of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i. Credit risk management

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

ii. Provision for expected credit losses

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables 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 analyzed.

iii. Reconciliation of loss allowance provision - Trade receivables

(Amount in INR Lakhs)

Particulars	
Loss allowance on April 1, 2020	**52.01**
Changes in loss allowance	-
Loss allowance on March 31, 2021	**52.01**
Changes in loss allowance	-
Loss allowance on March 31, 2022	**52.01**

(B) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations. Also, the Company has unutilized credit limits with banks.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

Maturities of financial liabilities

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings includes principal cash flows only.

(Amount in INR Lakhs)

Contractual maturities of financial liabilities		Contractual cash flows			
Particulars	**Carrying Amount**	**Total**	**Less than 12 months**	**1 year to 5 years**	**More than 5 years**
March 31, 2022					
Borrowings	-	-	-	-	-
Lease liabilities	116.91	116.91	75.00	41.91	-
Trade payables	661.82	661.82	661.82	-	-
Other financial liabilities	530.09	530.09	530.09	-	-
Total financial liabilities	**1,308.81**	**1,308.81**	**1,266.91**	**41.91**	**-**

March 31, 2021					
Borrowings	302.82	302.82	302.82	-	-
Lease liabilities	180.09	180.09	63.18	116.91	-
Trade payables	353.75	353.75	353.75	-	-
Other financial liabilities	629.04	629.04	629.04	-	-
Total financial liabilities	**1,465.69**	**1,465.69**	**1,348.78**	**116.91**	**-**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity risk.

(i) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the external commercial borrowings and export receivables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates.

However, during the years presented in these financial statements, the Company had primarily borrowed funds under fixed interest rate arrangements with banks and financial institutions and therefore the Company is not exposed to interest rate risk.

(iii) Commodity Price risk

The Company is not exposed to other price risk during the years presented in these financial statements.

35. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

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

(Amount in INR Lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Long term borrowings	-	-
Short term borrowings	-	302.82
Trade payables	661.82	353.75
Other Financial Liabilities	530.09	629.04
Less: Cash and cash equivalents	(46.08)	(397.45)
Less: Other Bank Balance	(1,188.82)	(2,366.36)
Net Debt	**(42.99)**	**(1,478.21)**
Equity Share capital	726.44	726.44
Other Equity	9,605.70	6,268.28
Total Capital	**10,332.14**	**6,994.72**
Capital and net debt	**10,289.15**	**5,516.51**
Gearing ratio	**(0.42)**	**(26.80)**

36. ASSETS GIVEN AS COLLATERAL SECURITY AGAINST BORROWINGS

The carrying amount of assets given as collateral security for current and non current borrowings are:

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
NON CURRENT ASSETS		
Property, plant and equipment	1,810.26	1,690.59
Total non current assets	**1,810.26**	**1,690.59**

37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal*	62.72	1.07
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

*Note- The Company makes payment to all the Parties (Including MSMEs) as per the payment terms negotiated with each party.

38. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are promoting health care, promoting education and rural development activities. The expenditure incurred during the year on these activities are as specified in schedule VII on the Companies Act, 2013.

(Amount in INR Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Gross amount required to be spent by the Company during the year	53.54	41.58
(b) Amount spent during the year on:		
Ongoing Projects		
(i) Healthcare	14.00	29.53
(ii) Education	33.00	2.00
(iii) Infrastructure / Cultural / Environment	-	-
(iv) Others	-	-
Other than Ongoing Projects		
(i) Healthcare	-	-
(ii) Education	-	-
(iii) Infrastructure / Cultural / Environment	-	-
(iv) Others	0.56	-
Total	**47.56**	**31.53**
(c) Shortfall at the end of year	5.99	10.05
(d) Total of previous years shortfall	3.05	-

(e) Reason for Shortfall in:

(i) FY 2021-22

The Company is carrying out a project with Government of Gujarat (District Panchayat Valsad) as part of its CSR initiatives for funding and undertaking the construction of 8 Classrooms, 2 Hostels, 1 mess at Ashram Shala, Gadi in Dharampur Taluka, Valsad. This is an ongoing project which is being carried out in phases and expenditure therefore will be made accordingly .Hence, the amount of ₹5,98,999/-pertaining to the said project which was not due for spending as at the end of the financial year has been transferred to Unspent CSR Account and will be spent from the said account for the above mentioned ongoing project in the next financial year(s).

(ii) FY 2020-21

As on 31.03.2021, an amount of Rs, 10,05,000/- remained to be spent on CSR activities. This amount pertained to an ongoing project where the expenditure is incurred based on achieving milestones. Since the said amount was not due for spending as on 31.03.2021, the same was transferred to the unspent account as prescribed under Companies Act, 2013.

During the Financial Year 2021-2022, an amount of Rs 7,00,000 out of the same has been spent on the ongoing project. Since the amount of Rs. 3,05,000 was not due for spending as on 31/3/2022, the same is lying in the unspent account.

(f) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard - Nil

(g) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.

(Amount in INR Lakhs)

(h) Any amount remaining unspent transferred to	**As at March 31, 2022**	**As at March 31, 2021**
(i) Ongoing project : Special account in compliance with the provision of section 135(6)	9.04	10.05
(ii) Other than ongoing project : A Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to section 135(5)		

39. ACCOUNTING RATIOS

Sr No.	Name of the Ratio	Numerator	Denominator	FY 2021-2022	FY 2020-2021	Note No.*	Change
1	Current Ratio (in times)	Current Asset	Current Liabilities	4.57	4.00		14.16%
2	Debt-Equity Ratio (in times)	Total Debt	Equity	0.02	0.04	1	-45.13%
3	Debt Service Coverage Ratio (in times)	Earnings Available for Debt Service	Debt Service	23.09	13.19	2	75.12%
4	Return on Equity Ratio (in %)	PAT	Avg. Shareholders Equity	600.52%	415.46%	3	44.54%
5	Inventory turnover ratio (in times)	Net Sales	Avg. Inventory	13.01	15.00		-13.25%
6	Trade Receivables turnover ratio (in times)	Net Sales	Avg. Trade Receivables	5.77	5.18		11.26%
7	Trade payables turnover ratio (in times)	Net Purchases	Avg.Trade payables	3.30	2.71		21.77%
8	Net capital turnover ratio (in times)	Net Sales	Working Capital	1.88	1.91		-1.62%
9	Net profit ratio (in %)	Net Profit	Net Sales	37.98%	33.32%		13.98%
10	Return on Capital employed (in %)	EBIT	Capital Employed	56.83%	57.79%		-1.67%
11	Return on investment (in %)	Total Comprehensive Income	Free Equity	42.21%	43.20%		-2.29%

*In respect of aforesaid mentioned ratios, the reason for significant change (25% or more) in FY 2021-22 in comparison to FY 2020-21 is :

[1]Repayment of borrowed fund.

[2]Interest expense has decreased due to repayment of borrowed fund.

[3]Increase in Revenue from Operation & Operating Margin.

Definitions:

(a) Earning for available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.
(b) Debt service = Interest & Lease Payments + Principal Repayments
(c) Average inventory = (Opening inventory balance + Closing inventory balance) / 2
(d) Net credit sales = Net credit sales consist of gross credit sales minus sales return
(e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2
(f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return
(g) Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2
(h) Working capital = Current assets - Current liabilities.
(i) Earning before interest and taxes = Profit before exeptional items and tax + Finance costs - Other Income
(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
(k) Return on Investment = Total Comprehensive Income / Free Equity

40. Title deeds of Immovable Property not held in the name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

41. Fair valuation of investment property

The Company shall disclose as to whether the fair value of investment property (as measured for disclosure purposes in the financial statements) is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Since, the Company does not have any investment property during any reporting period, the said disclosure is not applicable.

42. Details of Benami Property Held

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

43. Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

44. Disclosure Of Transactions With Struck Off Companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

45. Registration or satisfaction of charges

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

46. Compliance with number of layers of companies

The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

47. Compliance with approved Scheme(s) of Arrangements

The Company has no scheme of arrangements which have been approved by the competent Authority in terms of Sec 230 to 237 of the Companies Act, 2013 during the reporting period.

48. Utilisation of Borrowed funds and share premium

A. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   (a) 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
   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

B. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
   (a) 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
   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

49. Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual currency.

50. Undisclosed Income

During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of accounts.

51. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been notified in the Gazette of India. However, the date from which it will be implemented has reportedly not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

52. The Company continues to closely monitor the impact of the COVID-19 pandemic on all aspects of its business, including how it has impacted and will impact its customers, employees, vendors and business partners. The management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of investments, inventory, based on the information available to date, both internal and external, while preparing the Company's financial results for the quarter and year ended March 31,2022.

53. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

Significant Accounting Policies and Notes Forming Part of the Financial Statements **1 to 53**

As per our report of even date attached

For GMJ & Co
Chartered Accountants
Firm Registration No: 103429W

CA Sanjeev Maheshwari
Partner
Membership No: 038755
UDIN: 220387 55AJHE DF1912

Place: Mumbai
Date: May 20, 2022

For and on behalf of the Board

Sachin D. Patel
Director
DIN: 00033353

Dinesh S. Patel
Chairman
DIN: 00033273

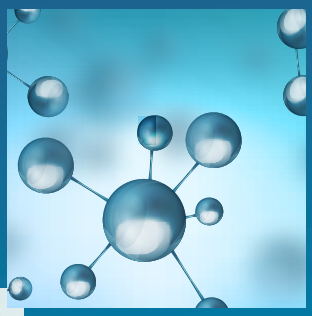
Jagdish G. Kaujalgi
Chief Executive Officer

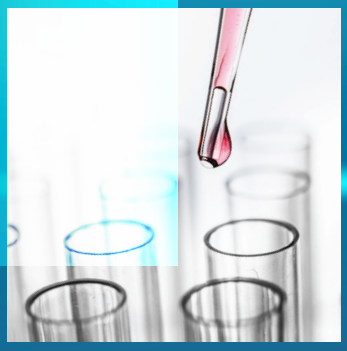
Bharat A. Desai
Chief Financial Officer

Rahul Soni
Company Secretary
Membership No. A61305

Place: Mumbai
Date: May 20, 2022

NOTES





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