

**ANNUAL REPORT
2023 - 24**



**PHARMAIDS
PHARMACEUTICALS
LIMITED**

35th Annual Report

www.pharmaids.com

PHARMAIDS PHARMACEUTICALS LIMITED

CIN: L52520KA1989PLC173979

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Shankarappa Nagaraja Vinaya Babu (w.e.f January 31, 2024)	Chairman (Non-Executive and Non-Independent Director)
Mr. Mopperthy Sudheer	Independent Director
Mr. Pattamadai Natarajasarma Vijay	Independent Director
Mr. Methuku Nagesh	Independent Director
Mr. Shreedhara Shetty (w.e.f August 29, 2023)	Non-Executive and Non-Independent Director
Mr. Sadhanala Venkata Rao (up to August 29, 2023)	Non-Executive and Non-Independent Director
Mr. Venu Madhava Kaparthy	Executive Director
Ms. Mini Manikantan	Executive Director

CHIEF EXECUTIVE OFFICER

Dr. S Prasad (w.e.f January 06, 2024)

CHIEF FINANCIAL OFFICER

Mr. Balagangadhara B C

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kaushik Kumar (upto August 14, 2024)
Mr. Prasanna Subramanya Bhat (w.e.f August 14, 2024)

SECRETARIAL AUDITORS

M/s Kashinath Sahu & Co,
Practising Company Secretaries
Hyderabad

STATUTORY AUDITORS

M/s PPKG & Co.,
Chartered Accountants
Hyderabad

INTERNAL AUDITORS

T N Raghavendra
Chartered Accountant
Karnataka

REGISTRAR & SHARE TRANSFER AGENT

M/s Venture Capital and Corporate Investments Pvt Ltd.
"Aurum", Door No.4-50/P-II/57/4F &5F, Plot No. 57, 4th
& 5th floors, Jayabheri Enclave Phase- II, Gachibowli
Hyderabad – 500032.
Phone No. 404-23818475,23868275,35164940
Website - www.vccipl.com

BANKERS

Canara Bank
ICICI Bank

LISTING

BSE Limited
Security code-524572

REGISTERED OFFICE

Unit #201, Brigade Rubix, 20/14, HMT Factory
Road, Peenya Plantation, Bangalore 560013 India
Telephone No.- 080- 49784319
Email- Id - compliance@pharmaids.com
Website – www.pharmaids.com

SUBSIDIARIES

Anugraha Chemicals (firm)
Adita Bio Sys Private Limited
Siri Labvivo Diet Private Limited
Spring Labs (firm)

INDEX

Contents	Page No.
About this Report	3
About Pharmaids	4
Board's Report	5
Annexures to Board's Report	23
Management Discussion and Analysis Report	30
Report on Corporate Governance	35
Standalone Financial Statements	
Independent Auditor's Report	70
Balance sheet	80
Statement of P&L, Cash Flow Statement & Changes in Equity	82
Notes to the Standalone Financial Statements	86
Consolidated Financial Statements	
Independent Auditor's Report	119
Balance sheet	127
Statement of P&L, Cash Flow Statement & Changes in Equity	129
Notes to the Consolidated Financial Statements	135
Notice of Annual General Meeting	170

About this report

We are pleased to present the Thirty Fifth Annual Report, for the financial year 2023-24. This report provides an overview of your company's operations, financial and non-financial performance during the year. Further, in this report, we have highlighted the key opportunities and challenges facing by our industry, as well as our policies and procedures for ensuring compliance and good governance. The report aims to provide a detailed insight into our financial and non-financial disclosures, encompassing our leadership, culture, and strategy of our value creation process to our stakeholders.

Responsibility statement

The Board firmly believes that this report is a fair representation of your company's financial, non-financial and operational performance and address all material topics relevant to the company for the FY 2023-24. The Board acknowledges that contents of this report have been prepared by respective functional heads and under the guidance of the management.

Certain statements in this report concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy and our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, changes in the laws and regulations that apply to the industry in which the Company operates. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

About Pharmaid

Pharmaid Pharmaceuticals Limited (Pharmaid) incorporated in March 1989, is a Public Limited company listed on BSE since 1994. With a unique business strategy, a modest investment and with a bold vision to be a global player in this business by providing high quality innovation and research, development, and manufacturing services to our partners. We have onboarded a team having thorough scientific, management and operational experience. We have also been able to bring in Independent Board members with excellent & longstanding experience. Pharmaid intends to work for clients around the globe, delivering innovation that benefits immediate and extended stakeholders.

We have a strong commitment to adhere to corporate governance framework focused on quality, safety, ethics, client satisfaction and data integrity. Pharmaid is exploring organic and inorganic growth opportunities to achieve this endeavour.

We embrace innovation—bringing ideas, products and services to life for well-being of people around the world. We believe in collaboration, that would help us to cater to the well-being of the society.

We aspire to create an environment in which people can realise their full potential through collaborative work and continuous learning.

Your Company has started the journey of business transition, which is an ongoing process. Induction of new members into the leadership team was an early step. Over the last two years, team members with relevant experience and expertise have been inducted gradually and this endeavour will be sustained going forward too.

In order to align our business with best global opportunities, we are working on a comprehensive plan to build a world class 'Contract Research & Manufacturing Services' ('CRAMS') Organisation which will eventually offer end-to-end research, development, manufacturing and allied services to our customers in Pharma, Biopharma, Agro-Chemicals, Medical Devices, Speciality Chemicals and similar industries to customers situated in India and other countries.

Our actions are guided by this plan of business transition. Activities carried out in this regard has been intimated to the members through appropriate channels and same will be continued.

BOARD'S REPORT

Dear members,

The Board of Directors ("Board") presents the 35th Annual report of your Company together with the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2024.

FINANCIAL HIGHLIGHTS:

The Company's Standalone and Consolidated Financial results for the year ended March 31, 2024, is summarised below:

(All Amounts in INR Lakhs unless otherwise specified)

Particulars	Standalone		Consolidated	
	For the year ended March 31		For the year ended March 31	
	2024	2023	2024	2023
Total revenue	82.27	-	1,599.03	-
Total expenses	690.95	990.76	3,161.16	990.76
Profit before exceptional items and tax	(608.67)	(990.76)	(1,562.14)	(990.76)
Exceptional items	-	-	-	-
Profit before tax and share of profits of associates	(608.67)	(990.76)	-	-
Prior period share of profit/interest form Associate	-	-	-	-
Profit before tax	(608.67)	(990.76)	(1,562.14)	(990.76)
Tax expenses	(113.69)	(235.20)	(377.82)	(235.20)
Net profit for the year	(494.98)	(755.57)	(1,184.31)	(755.57)
Net profit attributable to the Shareholders of the Company	-	-	(796.80)	(755.57)
Net profit attributable to the non-controlling interest	-	-	(387.51)	-
Other comprehensive income	-	-	(32.00)	3.48
Total comprehensive income for the year	(494.98)	(755.57)	(1,216.31)	(752.09)
Total comprehensive income attributable to the Shareholders of the Company	-	-	(808.75)	(752.09)
Total comprehensive income attributable to the non-controlling interest	-	-	(407.55)	-
Basic and diluted EPS (in Rs)	(2.18)	(5.86)	(3.56)	(5.83)

Notes: The figures for the previous periods have been regrouped / reclassified wherever considered necessary.

PERFORMANCE REVIEW

On a Standalone basis, your Company's revenue from operations stood at Rs. 82.27 Lakhs in the financial year 2023-24, as against nil in the corresponding previous period.

On a Consolidated basis, your Company's revenue from operations stood at Rs. 1,599.03 Lakhs in the financial year 2023-24, as against nil in the corresponding previous period.

Highlights of Company's performance is covered in detail in the Management Discussion and Analysis Report (MDA), included in this Annual Report as required under Schedule V of the SEBI (LODR) Regulations, 2015.

DIVIDEND

The Board of Directors of the company has not recommended any dividend on the equity shares of the company for the financial year ended 31st March 2024.

TRANSFER TO RESERVES

During the Financial Year 2023-24, no amount has been transferred to any reserves.

DEPOSITS

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) from the public or the members and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

SHARE CAPITAL

Authorised share capital of the company as on March 31, 2024, is Rs.45,00,00,000/- (Rupees Forty-Five Crores only) divided into 4,50,00,000 Equity Shares of Rs.10/- each and the Paid-up Share Capital is Rs.35,26,78,120/- (Rupees Thirty-Five Crore Twenty-Six Lakh Seventy-Eight Thousand One Hundred and Twenty) divided into 3,52,67,812 Equity shares of Rs.10/- each.

During the year under review, the company had issued shares for consideration other than cash through preferential allotment and converted outstanding warrants into equity shares, as a result of which the capital of the company was increased as follows:

a. Increase in Authorized Share Capital of the Company

In order to facilitate the future requirements, if any, of the Company, pursuant to approval of the Shareholders at the Extraordinary General Meeting held on January 31, 2024, increased the Authorized Share Capital of the Company from Rs. 30,00,00,000/- (Rupees Thirty Crores Only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- (Rupee Ten Only) each to Rs. 45,00,00,000/- (Rupees Forty-Five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakh) Equity Shares of Rs. 10/- (Rupee Ten Only) each.

b. Allotment of Equity Shares

During the Financial Year 2023-24, the total issued and paid-up equity share capital of the Company has been increased from Rs.21,48,62,340/- to Rs.35,26,78,120/- pursuant to the allotment of 1,37,81,578 Equity Shares.

During the Financial Year 2023-24, after obtaining necessary approvals, the Company issued and allotted:

i) 9,25,000 Equity Shares (consequent to the conversion of 9,25,000 share warrants allotted on October 13, 2022) having face value of Rs.10/- each at a premium of Rs.5/- each on preferential basis. After the said conversion, there are no other share warrants outstanding for conversion. Consequently, the Equity Share Capital of the Company stood at Rs.22,41,12,340/-.

ii) Preferential Issue:

1,28,56,578 Equity Shares of the Company having a Face Value of Rs.10/- (Rupee Ten Only) each at a price of Rs.40.87/- (Rupees Forty and Eighty Seven Paise only) per Equity Share (including a premium of Rs.30.87/- (Rupees Thirty and Eighty Seven Paise Only) per share on March 02, 2024 to shareholders of Adita Bio Sys Private Limited ("Adita") for consideration other than cash [i.e. swap of shares of Adita Bio Sys Private limited towards full payment of the total consideration payable for the acquisition of 36,73,308 Shares representing 99.86% shareholding of the Adita] on a Preferential Issue basis pursuant to the approval of the Shareholders in Extra Ordinary General Meeting held on January 31, 2024. After the issue, the Equity Share Capital of the Company stood at Rs.35,26,78,120/- (Rupees Thirty-Five Crores Twenty-Six Lakh Seventy-Eight Thousand One Hundred and Twenty Only).

During the year under review, the Company has not issued shares with differential voting rights or granted any stock options or issued any sweat equity or issued any Bonus Shares. Further, the Company has not bought back any of its securities.

DETAILS OF MATERIAL EVENTS DURING THE YEAR

a) *Additional investment in Anugraha chemicals ("The Firm"):*

The company had acquired 25.50% partnership interest in Anugraha Chemicals during the financial year 2022-23. Further pursuant to the approval of the Board, the company has acquired additional 28.50% partnership interest in the said firm totalling to 54.00% partnership interest as on date of this annual report.

b) *Acquisition of 99.86% stake in Adita Bio Sys Private Limited. ("Adita")*

As a part of in-organic growth your company and in line with strategy to grow and with the aim of expanding market share company has identified Adita as one of the potential strategic targets.

Adita is a Private Limited Company established in 2015, having a state of art Laboratory Animal House Facility spanning over approximately 32,000 sq. ft, at an industrial area in Tumkur, Bengaluru, Karnataka. Adita is an independent CRO providing integrated Nonclinical studies and other regulatory services as per GLP principles. Adita is in the process of undergoing GLP Audit from the relevant authorities.

The company after carrying out extensive due diligence and as per approval of the Board of Directors and shareholders has issued, offered and allotted 1,28,56,578 Equity shares having face value of Rs. 10/- each at a premium of Rs. 30.87/- (Rupees Thirty and Eighty-Seven Paise Only) to the shareholders of Adita being a full consideration discharged by the company for the acquisition 36,73,308 Equity shares representing 99.86% stake in Adita in accordance with the provisions of the Companies Act, 2013 and ICDR Regulations, as amended from time to time and other applicable laws.

c) Change in Object Clause of the Memorandum of Association of the company.

The Board and Members of the Company at their meetings held on 06th January 2024 and 31st January 2024 respectively approved for substitution of the Existing Object Clause of the Memorandum of Association (the “MOA”) with the new clauses which are necessary for furtherance of the business of the Company.

d) Change in business line of the company.

The Board and Members of the Company at their meetings held on 06th January 2024 and 31st January 2024 respectively approved for substitution of the Existing Object Clause of the Memorandum of Association (the “MOA”) with the new clauses which are necessary for furtherance of the business of the Company. The new line of business for the Company falls within the domain of Contract Research and Manufacturing Services (CRAMS). Additionally, the company will be involved in various activities such as product discovery, research, development, manufacturing, testing, and analytical services. These services encompass non-clinical and clinical research, innovation services, and other related activities within the biotechnology, pharmaceuticals, devices, nutritional products, and similar domains.

The expected benefits of venturing into the new line of business encompass Diversification of Revenue Streams, Enhanced Market Presence, Innovation and Research Opportunity, Strategic Collaboration, Increased Client Base and Long-Term Growth Potential. These anticipated benefits reflect the strategic decision to explore and participate in a multifaceted range of activities within the CRAMS and Research domains.

e) Acquisition of Land Parcels

Your Company to achieve its vision and mission have been exploring the growth opportunities in both ways i.e., Organic and Inorganic. As a part of Organic Growth, the Company has planned to setup Pharmaceuticals Manufacturing, Research & Development Unit and Contract Research and Manufacturing Services Facilities (“Facilities”).

The Board through circular resolution passed on May 22nd, 2023, approved following purchase of Industrial land parcels:

- i. Land measuring 4040.00 sq. mtrs situated at Plot No 47-P2 of Hirehalli Industrial Area, situated in Sy. No. Parts 52 and 53 of Manchakuppe Village, Uradegere Hobli, Tumkur Taluk and District.
- ii. Land measuring 5901 Sq.Mtrs situated at No.47 of Sy.No.53, situated at Manchakuppe Village, Urdagere Hobli, Tumkur Taluk, Tumkur District.

Further Board at its meeting held on February 12, 2024, approved for taking the 4034.00 Sq. mts. (approx.) situated at plot No. 46 of Hirehalli Industrial Area, situated in Sy. No. parts of 52 and 53 of Manchakuppe Village, Urdagere Hobli, Tumkur Taluk, Tumkur District.

Above three land parcels are adjoining each other and hence forms a contiguous land parcel. Accordingly, the Company has completed the acquisition of above three land parcels and is in the process of planning and obtaining required approvals to construct the facilities.

DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR

No material changes have occurred after the end of the financial year to which financial statements relate and till the date of this Report which may impact on the financial position of the Company.

CHANGE IN THE NATURE OF BUSINESS

The details pertaining to change in nature of business is given under the head material events occurred during the financial year 2023-24 of the Board's Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under the Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section forming part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has complied with the applicable provision of the section 186 of the Act during the year under review. Pursuant to section 186 of the Act, the particulars of loans, guarantees and investments have been disclosed in the Financial Statements.

SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATE COMPANIES

During the year under review, the following changes have taken place in subsidiaries / associates:

The names of companies which have become Subsidiaries or Associate Companies (including Joint Venture Companies) during FY 2023-24:

- Your company has acquired equity shares of Adita Bio Sys Private Limited ("Adita") representing 99.86% of the paid-up equity share capital of the Adita, by way of share swap. As a result, Adita has become subsidiary of the company and its existing subsidiaries

namely Siri Labvivo Diet Private Limited and Spring Labs have become step down subsidiaries of the company.

- Further, Your Company has acquired additional 28.50% of partnership interest in Anugraha Chemicals totalling to 54.00% partnership interest during year under review. By virtue of the same, Anugraha Chemicals has become subsidiary of the company as per Ind AS and hence being considered for consolidation of financials only.

Pursuant to Section 129 (3) of the Act read with rules framed thereunder, pursuant to Regulation 33 of the Listing Regulations and Ind - AS 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiaries.

A separate statement containing the salient features of the financial performance of the subsidiaries and associates for the Financial Year 2023-24 in the prescribed form AOC-1 is annexed to the Board's Report as **Annexure - A** and forms a part of this report. The financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies are available on our website at www.pharmaids.com and also forms an integral part of the Annual Report.

The Company has following subsidiaries as on 31st March 2024:

Material Subsidiaries*

Adita Bio Sys Private Limited

Anugraha Chemicals ("Registered Partnership Firm")

Step Down Subsidiaries**

Siri Labvivo Diet Private Limited

Spring Labs ("Partnership Firm")

*Adita Bio Sys Private Limited and Anugraha Chemicals are material unlisted subsidiaries of the Company as per SEBI Listing Regulations 2015.

** Siri Labvivo Diet Private Limited and Spring Labs are the subsidiaries of Adita Bio Sys Private Limited

The Company does not have any Joint-Venture or Associate Companies nor ceased to be joint venture or associate Company of any other Company within the meaning of Section 2(6) of the Companies Act, 2013. During the year under review, the Board of Directors reviewed the affairs of material subsidiaries. There has been no material change in the nature of the business of the subsidiaries.

The Policy for determining material subsidiaries is available on the Company's website i.e. <http://www.pharmaids.com/policies.html>

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as **Annexure - B** forming part of Board's Report.

EMPLOYEE STOCK OPTION PLAN AND EMPLOYEE STOCK PURCHASE SCHEME

During the year under review, the Company has introduced "Pharmaids Pharmaceuticals Limited - Employee Stock Option Scheme 2024" & "Pharmaids Pharmaceuticals Limited - Employee Stock Purchase Scheme 2024" ("**the Schemes**"). Both the schemes were approved on January 06, 2024 by Borad of Directors and on January 31, 2024 by shareholders by passing Special Resolution. Board of directors has reserved 25,00,000 options and 30,00,000 equity shares under these schemes respectively for employees which will be granted at the price and terms as per the proposal by NRC committee and subject to the approval from the Board of Directors from time to time.

The grants under the Schemes are further subject to necessary statutory approvals and would be made in conformity with the applicable laws. No shares were awarded to employees under the Scheme during the FY 2023-24.

Disclosures in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, are uploaded on the website of the Company at www.pharmaids.com

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Your Company places on record their deep appreciation for the contribution made by the employees of the Company at all levels. A Note on Human Resources is provided in the Management Discussion and Analysis ("MDA") Report, which forms part of this Report.

a. Particulars of Employees

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **Annexure-C**.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Rules, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of this Report. Further, the Report and the Annual Accounts are being sent to the Members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement will be open for inspection upon request by the Members. Any Member interested in obtaining such particulars may write to the Company Secretary at compliance@pharmaids.com

b. Prevention of Sexual Harassment at workplace

The Company is committed to provide a safe and conducive work environment to all its employees and associates. In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules

made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. The Company has constituted “Internal Complaints Committee” to redress and resolve any complaints arising at respectable workplace.

The details of complaints received / disposed/ pending during the year ended March 31, 2024.

Particulars

No of Complaints of sexual harassment received in the year	Nil
No of Complaints disposed off during the year	Nil
No of cases pending as on March 31, 2024	Nil

The Policy on Non-discrimination and Prevention of Sexual Harassment (POSH) is available on the Company’s website at <http://www.pharmaids.com/policies.html>

DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL:

During the year under review, the following appointments, re-appointments and resignations were made in the Board of Directors, Key Managerial Personnel and Senior Management of the Company:

a. Appointments/ Inductions to the Board

The Shareholders in their 34th Annual General Meeting held on September 22, 2023, approved the appointment of Mr. Shreedhara Shetty (DIN: 02776638), as a Non–Executive, Non - Independent Director (liable to retire by rotation) of the Company with effect from August 29, 2023.

The Shareholders in their 01st Extraordinary General Meeting for the financial year 2023-24 held on January 31, 2024, approved the appointment of Dr. Shankarappa Nagaraja Vinaya Babu (DIN: 01373832), as a Director (Under the category of Non-Executive Non-Independent) (Not liable to retire by rotation) and Chairman of the Company with effect from January 31, 2024.

b. Re-appointment to the Board

The Board in its meeting held on August 28, 2024, based on the recommendation of the Nomination and Remuneration Committee, recommended to the Shareholders to consider re-appointment of Mr. Shreedhara Shetty (DIN: 02776638) as Non-Executive & Non-Independent Director liable to retire by rotation in terms of provisions of the Act at the ensuing Annual General Meeting of the Company. The necessary resolution seeking the approval of the Shareholders to re-appoint Mr. Shreedhara Shetty forms part of the Notice of the Annual General Meeting.

The brief particulars and expertise of Mr. Shreedhara Shetty seeking re-appointment have been given in the annexure to the Notice of the AGM in accordance with the requirements of the Listing Regulations and Secretarial Standards.

c. Resignation from the Board

Mr. Venkata Rao Sadhanala (DIN:02906370) resigned as Non-Executive and Non-Independent Director of the Board with effect from August 29, 2023. The Company has received confirmation from Mr. Venkata Rao Sadhanala stating that he is resigning from the Board due to professional reasons and that there are no other material reasons for his resignation. Consequently, he ceased to be the member of the Nomination and Remuneration Committee of the Board. The Board and the Management places on record their sincere appreciation for the valuable contributions to the Company's success and the assistance and guidance provided by Mr. Venkata Rao Sadhanala during his tenure as a Member of the Board/ Committees of the Company.

d. Key Managerial Personnel

In terms of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the details of change in Key Managerial Personnel of the Company are:

- Dr. S Prasad, Chief Executive Officer. (effective from January 06, 2024)
- Mr. Kaushik Kumar, Company Secretary & Compliance Officer (up to August 14, 2024)
- Mr. Prasanna Subramanya Bhat, Company Secretary & Compliance Officer. (effective from August 14, 2024)

Mr. Kaushik Kumar, Company Secretary & Compliance Officer of the Company resigned and is relieved from the services of the Company with effect from closing of business hours of August 14, 2024. Mr. Kaushik Kumar has stated in his Letter of Resignation dated August 05, 2024, that he is resigning from the position of Company Secretary & Compliance Officer due to personnel reasons and that there are no other material reasons for his resignation.

The Board based on the on the recommendations of the Nomination and Remuneration Committee, appointed Dr. S Prasad as a Chief Executive Officer and Mr. Prasanna Subramanya Bhat as Company Secretary & Compliance Officer of the Company.

e. Senior Management Personnel

In terms of the Listing Regulations, the Company has identified the "Senior Management Personnel" which comprise all the Key Managerial Personnel of the Company excluding the Board of Directors and includes the Chief Executive Officer, the Chief Financial Officer and the Company Secretary.

The Company has appointed Dr. S Prasad as Chief Executive Officer (effective from January 06, 2024) and Mr. Prasanna Subramanya Bhat as Company Secretary & Compliance Officer (effective from August 14, 2024), a Key Managerial Personnel and is part of the Senior Management Personnel.

Other than the above, there were no appointment, re-appointments or resignations in the Board, Key Managerial Personnel and Senior Management of the Company for the year ended March 31, 2024.

GOVERNANCE

Board Governance

Board Governance is the framework that structures the Board and its operation. The Company Board's governance guidelines cover aspects relating to composition and role of the Board, Chairman and its Directors, Board diversity, definition of independence, term of Directors, retirement age and committees of the Board. The Board governance guidelines also cover key aspects relating to nomination, appointment, induction and development of Directors, remuneration, oversight on subsidiary performances, code of conduct and Board effectiveness.

Code of Conduct

The Annual declaration affirming compliance with the Code of Conduct by the Directors and Senior Management Personnel of the Company for the year ended March 31, 2024, forms part of the Corporate Governance Report.

Board and Committee Constitution

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the Independence of the Board and separate its functions of governance and management. As on March 31, 2024, the Board consists of Seven members with two Non-Executive and Non-Independent Director, two Executive and Whole-time Directors, and three Independent Directors.

The details of the constitution of the Board and of the Committees, the terms of reference etc. are given in the Corporate Governance Report which forms part of this Annual Report.

Meeting of the Board/ Committees

Seven (07) Meetings of the Board of Directors were held during the year 2023-24. The particulars of the meetings held, and attendance of each Director are detailed in the Corporate Governance Report. Only in case of special and urgent business, if the need arises, the Board's / Committee's approval is taken by passing resolutions through circulation or by calling Board / Committee meetings at short notice, as permitted by law.

All the Board Meeting and Committee Meeting were held in accordance with the guidelines issued by the MCA and by the SEBI. The intervening gap between any two meetings is within the period prescribed by the Act read with Listing Regulations.

The Company has duly constituted the Committees required under the Act read with the applicable Rules made thereunder and the Listing Regulations. As on March 31, 2024. The details of the Board & Committee meetings and the attendance of the Directors in these meetings are given in the Corporate Governance Report which forms part of the Annual Report.

Board Diversity

The Company recognizes that a Board composed of appropriately qualified members with a broad range of experience relevant to the business is important for effective corporate governance. The Board of Directors values the significance of diversity and firmly believes that

diversity of background, gender, geography, expertise, knowledge and perspectives, leads to sharper and balanced decision-making and sustainable development. The Company believes that it has a truly diverse Board which leverages on the skills and knowledge, industry or related professional experience, age and gender, which helps the Company to retain its competitive advantage. The Board has adopted the Board Diversity.

The policy on Board diversity is available on the Company's website at <http://www.pharmaids.com/policies.html>

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual Directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure; degree of fulfilment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.); effectiveness of board processes, information and functioning, etc.; extent of co-ordination and cohesiveness between the Board and its Committees; and quality of relationship between board Members and the management.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India (SEBI) on January 5, 2017.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution within and outside the meetings, etc. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Policy on Board's appointment & Remuneration

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors. This maintains the independence of the Board and separate its functions of governance and management. The details of Board and Committee composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance Report which forms part of this Annual Report.

The Nomination and Remuneration Committee ('NRC') engages with the Board to evaluate the appropriate characteristics, skills and experience for the Board as a whole as well as for its individual members with the objective of having a Board with diverse backgrounds and experience in business, finance, governance, and public service. The NRC, basis such evaluation, determines the role and capabilities required for appointment of Director. Thereafter, the NRC recommends to the Board the selection of new Directors. The policy of

the Company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on <http://www.pharmaids.com/policies.html>

Based on the recommendations of the NRC, the Board has approved the Remuneration Policy for Directors and as part of the Policy.

The salient features of the Policy are:

- To enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
- To ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values, and long-term interests of the company and will be consistent with the "pay-for performance" principle.
- To ensure that remuneration to directors, KMP and senior management employees of the Company 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.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, in relation to financial statements of the company, the Board of Directors, to the best of its knowledge confirms that:

- In the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2024 and of the profit and loss of the company for that period;
- The directors have taken proper and sufficient care 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;
- The directors have prepared the annual accounts on a going concern basis;
- The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

The Company adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The Report on Corporate Governance for the financial year ended March 31, 2024, along with the Secretarial Auditor's Certificate confirming compliance with the conditions of Corporate Governance forms part of this Annual Report which states that the Company has complied with the conditions of Corporate Governance as

stipulated in Regulations 17 to Regulation 27 and clauses (b) to (i) of Regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.

Internal Control Systems

Internal financial controls are essential to ensure the accuracy and integrity of its financial information.

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls have been laid down by the Company and that such controls are adequate and operating effectively. Company has an adequate system of internal controls with clearly defined authority limits. Internal controls ensure that the Company's assets are protected against loss from unauthorised use or disposition and all transactions are authorised, recorded, and reported in conformity with generally accepted accounting principles. These policies are periodically reviewed to meet business requirements.

The CEO and CFO Certificate, forming part of the Corporate Governance Report, confirms the existence and effectiveness of internal controls and reiterate their responsibilities to report deficiencies to the Audit Committee and rectify the same.

Risk Management

Risk management is embedded in the company believes that risk resilience is the key to achieve long term sustainable growth. Business Risk Evaluation and Management is an ongoing process within the Organization. In Compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, your Company has a robust Risk Management Framework to identify, monitor and minimize risks as also identify business opportunities. At present, the Company has not identified any element of risk which may threaten the existence of the Company.

Further as per Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to forming of Risk Management Committee, is not applicable to the Company during the Financial Year under review.

Vigil Mechanism/ Whistle Blower Policy

The Board of Directors have established robust Vigil Mechanism and a Whistle-blower policy for Directors and Employee to report genuine concerns in compliance of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our Company Believes in promoting fair, transparent, ethical, and professional work environment. The company has adopted the code of conduct which provides an environment that promotes responsible and protected whistle blowing. All the employees including Directors and External Parties such as consultants, vendors, suppliers, dealers, customers and contractors working for and/ or on behalf of any of the Group entities are covered under the Whistle-blower policy.

The details of complaints received / disposed/ pending during the year ended March 31, 2024.

Particulars

No of Complaints of received in the year	Nil
No of Complaints disposed off during the year	Nil
No of cases pending as on March 31, 2024	Nil

The Vigil Mechanism and Whistle-blower policy is available on the Company's website and can be accessed at <http://www.pharmaids.com/policies.html>

Code of Prevention of Insider Trading

In accordance with Securities and Exchange Board of India, the Prohibition of Insider Trading Regulations, 2015, prescribing various new requirements and in line with the amendments, your Company has adopted the Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information and has been made available on the Company's website at www.pharmaids.com

SECRETARIAL GOVERNANCE

Related Party Transactions

The Company has a well-defined and structured governance process for related party transactions undertaken by the Company. In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the Listing Regulations. The Policy can be accessed on the Company's website at <http://www.pharmaids.com/policies.html>

During the year under review, all related party transactions entered into by the Company and its subsidiaries, were approved by the Audit Committee and were at arm's length and in the ordinary course of business.

The SEBI Listing Regulations states that if any Related Party Transactions exceeds Rs.1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and would require Shareholder's approval. In this regard, for the year ended March 31, 2024, the Company has taken necessary Shareholder's approval.

Further, none of the transactions with related parties fall under the scope of Section 188(1) of the Act. The disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is annexed to the Board's Report as **Annexure - D** and forms a part of this report. Details of related party transactions entered into by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone/consolidated financial statements forming part of this Annual Report.

The Company has not entered into any materially significant related party transactions with its Directors, or Management, or relatives, etc. that may have potential conflict with the interests of the Company at large.

Statement of deviation(s) or variation(s)

In accordance with the Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, where a listed entity has raised funds through preferential allotment or qualified institutions placement, the listed entity shall disclose every year, the utilization of such funds during that year in its Annual Report until such funds are fully utilized. In this connection, the Company has fully utilized the amount raised through Preferential Issue of Equity Shares and Share Warrants and the purpose for which these proceeds were raised has been achieved and there is no deviation in the use of the amount raised through Preferential Issue of Equity Shares and Share Warrants.

Demat Suspense Account/Unclaimed shares account

The Company opened a Demat account as Pharmaids Pharmaceuticals Limited – Unclaimed Suspense Account with the Choice Broking India Private Limited and transferred all unclaimed shares into one physical folio and further dematerialized the said equity shares under a demat account. When any Shareholder claim, the Company will transfer the same to the Shareholders demat account by following the procedure as prescribed under the regulations. In terms of Regulation 39 of the Listing Regulations, the Company reports the details in respect of equity shares lying in the Demat Suspense Account/Unclaimed shares account as on March 31, 2024, is given in Corporate Governance Report.

Investor Education and Protection Fund (IEPF)

The Companies Act, 2013 read with the IEPF Rules states that all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat Account of the IEPF Authority. Our Company does not have any funds lying unpaid and unclaimed for a period of seven years. Therefore, there were no Funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

Annual return

In accordance with the Companies Act 2013, a copy of the Annual Return as on March 31, 2024, in the prescribed format is available on the Company's website at <http://www.pharmaids.com/annual-general-meeting.html>

AUDITORS AND AUDITOR'S REPORT

a. Statutory Auditor - M/s. PPKG & Co., Chartered Accountants

M/s PPKG & Co, Chartered Accountants (Firm Registration No. 009655S) who have been reappointed at the 34th Annual General Meeting of the Company held on 22nd September 2023 to hold office for a term of 5 years i.e., till the conclusion of the 39th Annual General Meeting of the Company.

M/s PPKG & Co, Chartered Accountants has furnished a certificate confirming their eligibility and consent for their continuance as the Statutory Auditor of the Company and also in terms of the Listing Regulations, the Statutory Auditor have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditor's Report does not contain any qualification, reservation, adverse remark, or disclaimer. The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

b. Internal Auditor - T N Raghavendra, Practicing Chartered Accountant.

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of The Companies (Accounts) Rules, 2014, the Board of Directors, based on the recommendation of the Audit Committee, have re-appointed Mr. T N Raghavendra, Practicing Chartered Accountant as an Internal Auditor of the Company on such terms and conditions as mutually agreed upon between Mr. T N Raghavendra, Chartered Accountant and the Company, to carry out the internal audit function for financial year 2024-25.

c. Secretarial Auditor – M/s Kashinath Sahu & Co., Practicing Company Secretaries

The Board of Directors at their meeting held on May 28, 2024, based on the consent received from M/s Kashinath Sahu & Co., Practising Company Secretaries, re-appointed M/s Kashinath & Co., Practising Company Secretaries (Certificate of Practice No. 4807), as Secretarial Auditor for the period of 3 years starting from 01st April 2024 of the Company to conduct Secretarial Audit.

In terms of Section 204 of the Act and the Report given by the Secretarial Auditors in the prescribed Form MR-3 forms an integral part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark, or disclaimer. During the year, the Secretarial Auditors have not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act.

d. Cost Auditor

The provisions relating to appointment of cost auditor and maintenance of Cost records under Section 148 of Companies Act, 2013 are not applicable to the Company.

DISCLOSURES

The following disclosures are made to the extent applicable to the Company for the year ended March 31, 2024:

The Board

- None of the Directors on the Board are members of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he/she is a Director as required under the Listing Regulations.
- None of the Independent Directors on the Board is an Independent Director in more than seven listed Companies as required under the Listing Regulations.
- All the Directors have disclosed their interest in other companies, Directorship and membership of Committees and other positions held by them.

- The Board of Directors of the Company have not been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board / Ministry of Corporate Affairs or any such Statutory Authority as per the Company's Act and Listing Regulations.
- The Certificate of Non – disqualification of Directors for the year ended March 31, 2024 issued by Kashinath Sahu, Company Secretary in Practice which states that as on April 1, 2024, the Directors on the Board of the Company have not been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority as per of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 forms part of this Annual Report.
- The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration policy of the Company, Statutory Regulations and as approved by the Board and the Shareholders.
- The Company has received necessary declaration from each Independent Director of the Company stating that they meet the criteria of Independence as laid down in the Companies Act, 2013 and in the Listing Regulations and that as on April 1, 2024, the Independent Directors have not been debarred or disqualified from being appointed or continuing as Directors of the Company by the Ministry of Corporate Affairs or any such statutory authority as mentioned in the Listing Regulations.
- None of the Director (s) on the Board of the Company had resigned/retired before the expiry of their respective tenure(s).
- As required under Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer & Chief Financial Officer have given appropriate certifications to the Board of Directors.

Financial Statements

- The recommendations made by all the Committees of the Board including Audit Committee and which requires the Board approval and adoption were duly adopted and approved by the Board.
- The financial results for the year ended March 31, 2024 do not contain any false or misleading statement or figures and do not omit any material statements which may make the statements or figures contained therein misleading.
- The Financial statements have been prepared in accordance with Indian Accounting Standards (IND- AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards on Meetings of the Board of Directors (“SS-1”) and Secretarial Standards on General Meetings (“SS-2”), mandated by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

Significant or Material Orders passed by Regulators or Courts or Tribunal

- There are no significant orders that have been passed by any Regulator or Court or Tribunal which can have implications on the going concern status and the Company’s operations in future and there are no material litigation outstanding.
- There are no cases pending or filed against the Company or any liabilities attached to the Company in respect of any of the matters pertaining to securities.

Other disclosures

- No Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 by or against the Company.
- During the review period, Statutory and Secretarial auditors of the company did not report any instances of fraud.
- The Company has complied with the requirements of the Stock Exchanges or SEBI on matters related to Capital Markets, as applicable, during the last three years. No penalties or strictures have been imposed on the Company.
- The Company has formulated a policy on maintaining and preserving timely and accurate records uploaded on the website of the Company. The same is available on the website of the Company at www.pharmaids.com

ACKNOWLEDGEMENT

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors, members, debenture holders and debenture trustee during the year under review and look forward to their continued support in the future.

Bengaluru
August 28, 2024

Sd/-
Dr. S N Vinaya Babu
Chairman and Non-Executive
Non-Independent Director
(DIN: 01373832)

Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN: 00021699)

Annexure - A

FORM NO. AOC -1

(Pursuant to First proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(₹ in lakhs)

Sl. No.s	The date since when subsidiary was acquired	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (loss) before Taxation	Provision for Taxation	Profit / (loss) after Taxation	Proposed Dividend	% of share holding
Anugraha Chemicals*	15-02-2024	10.00	327.05	1,302.02	964.97	-	1,175.18	(513.72)	(121.90)	(391.82)	-	50.60%
Adita Bio Sys Private Limited	02-03-2024	367.85	1,758.42	2,959.82	833.55	48.90	304.97	(546.74)	(120.19)	(426.56)	-	99.86%
Siri Labvivo Diet Private Limited	02-03-2024	80.00	(73.64)	179.37	173.01	-	49.16	(92.34)	(18.70)	(73.64)	-	59.92%
Spring Labs*	02-03-2024	1.00	141.63	517.03	374.41	-	10.79	(37.47)	(3.34)	(34.13)	-	89.87%

*Anugraha Chemicals and Spring Labs are registered partnership firms and hence here share capital refers to partner's capital.

Notes:

1. The annual accounts of the Subsidiary Companies and the related detailed information is made available on the website at www.pharmaids.com
2. Names of associates or joint ventures which are yet to commence operations: Nil
3. Names of Subsidiaries which have been liquidated or sold during the year: Nil

Part “B”: Associates and Joint Ventures

The Company does not have any Associates or Joint Ventures Companies

For and on behalf of the Board of Directors

**Bengaluru
August 28, 2024**

	Sd/- Dr. S N Vinaya Babu Chairman and Non-Executive Non- Independent Director (DIN: 01373832)	Sd/- Venu Madhava Kaparthy Whole Time Director (DIN: 00021699)
Sd/- Dr. S Prasad Chief Executive Officer	Sd/- Balagangadhara B C Chief Financial Officer	Sd/- Prasanna Subramanya Bhat Company Secretary (M.No:A48828)

Annexure – B

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

(Pursuant to the provisions of Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8(2) of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

The steps taken or impact on conservation of energy	The Company is making all efforts to conserve energy by monitoring energy costs and periodically reviewing the consumption of energy. It also takes appropriate steps to reduce the consumption through efficiency in usage and timely maintenance/ installation/upgradation of energy saving devices.
The steps taken by the Company for utilizing alternate sources of energy;	Currently our company has not yet taken any steps towards utilizing alternate sources of energy. However, we are open to explore a various available option in future to promote environmental sustainability.
The capital investment on energy conservation equipment;	No specific investment has been made in equipment for energy conservation. Despite not making a specific investment our company has implemented sustainable practices and encouraged energy efficient behaviours among employees. The company is still working towards conserving energy and reducing their environmental impact

B. TECHNOLOGY ABSORPTION

The efforts made towards technology absorption:	Our Company relies on in-house knowledge and expertise for our operations and therefore no outside technology is being used. As a result, currently company does not have any plans for technology absorption, but we are committed to staying up to date with the latest industry advancements through ongoing research and development for improving quality of our products and all the activities that are directed to achieve the aforesaid goals.
The benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	Not Applicable
The expenditure incurred on Research and Development	No cost was incurred towards Research and Development

C. FOREIGN EXCHANGE EARNINGS AND OUTGO-

Particulars	Current Year	Previous Year
Foreign exchange earnings	-	-
Foreign exchange outgo	-	-

Bengaluru
August 28, 2024

Sd/-
Dr. S N Vinaya Babu
Chairman and Non-Executive
Non- Independent Director
(DIN:01373832)

Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN:00021699)

Annexure – C

Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year.

- a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY24 and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during FY24:

Name of Director and Key Managerial Personnel	Designation	Ratio to median remuneration	% of Increase in Remuneration in FY24
Dr. S N Vinaya Babu	Non-Executive & Non-Independent Director	-	-
Mr. Shreedhara Shetty	Non-Executive & Non-Independent Director	-	-
Mr. Pattamadai Natarajasarma Vijay	Independent Director	0.29	Refer Note 1
Mr. Methuku Nagesh	Independent Director	0.29	Refer Note 1
Mr. Mopperthy Sudheer	Independent Director	-	-
Mr. Venu Madhava Kaparthy	Whole Time Director	2.56	Refer Note 1
Ms. Mini Manikantan	Whole Time Director	1.69	Refer Note 1
Key Managerial Personnel			
Dr. S Prasad	Chief Executive Officer	-	Refer Note 1
Mr. Balagangadhara B C	Chief Financial Officer	-	Refer Note 1
Mr. Kaushik Kumar	Company Secretary and Compliance officer	-	Refer Note 1

Notes:

1. % increase in remuneration is provided only for those directors and KMPs who have drawn remuneration from the company for full financial year ended March 31, 2023 and March 31, 2024.
 2. For median calculations, employees who have drawn salary/remuneration from the Company for the full financial year ended March 31, 2024 have been considered.
- b. The percentage increase in the median remuneration of all employees in the financial year 2023-2024: 358.06%
- c. The number of permanent employees on the rolls of Company as on March 31, 2024: 25

- d. There are no employees / Key Managerial Personnel who have drawn salary / remuneration from the company for full financial year ended March 31, 2023 and March 31, 2024, hence the percentage increase in average salaries and the percentile increase in the managerial remunerations not comparable and hence not stated.
- e. Affirmation that the remuneration is as per the remuneration policy of the Company: It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other.

Annexure – D

FORM AOC 2

Particulars of Contracts / Arrangements made with Related Parties.

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered with related parties during the year ended March 31, 2024.

Details of material contracts or arrangement or transactions at arm's length basis

There were no material contracts or arrangements or transactions entered with related parties during the year ended March 31, 2024.

By order of the Board of Directors

Bengaluru
August 28, 2024

Sd/-
Dr. S N Vinaya Babu
Chairman and Non-Executive
Non- Independent Director
(DIN:01373832)

Sd/-
Venu Madhava Kaparthy
Whole Time Director
(DIN:00021699)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry overview and Developments

Your Company aims to emerge as a globally competitive organization with enthuse cutting edge distinction in our business, confirming strictly to global quality standards and making a difference by creating brand value.

Your Company has stepped into a new line of business which falls within the domain of Contract Research and Manufacturing Services (CRAMS). Additionally, the company will be involved in various activities such as product discovery, research, development, manufacturing, testing, and analytical services. These services encompass non-clinical and clinical research, innovation services, and other related activities within biotechnology, pharmaceuticals, devices, nutritional products, and similar domains. The Pharmaceuticals industry is a vital component of the healthcare sector, dedicated to developing, producing, and marketing drugs for the prevention, treatment, and cure of diseases. The industry has experienced significant growth and development over the past few decades, dueto several factors including advancements in technology, increased demand for healthcare services, and growing awareness and diagnosis of diseases.

The prominent pharma industry trends include Increasing focus on research and development (R&D) to create new and innovative drugs, Amalgamation of Artificial Intelligence in developingautomated algorithms which will help in producing seedier, more precise, and reproducible results.

The industry is also facing challenges from emerging competitors, particularly in the form of generic drug manufacturers. Despite these challenges, the pharmaceuticals industry is projected to continue growing in the coming years, driven by increasing demand for healthcare services, the emergence of new markets in developing countries, and ongoing R&D efforts to develop new andmore effective drugs.

B. Opportunities and Challenges

1. Enhance market presence with innovative product offerings.

Building upon its existing market presence, Your Company can further expand its reach by launching its business in the GLP Developmental Services, Drug Discovery & Laboratory animals services & Animal Diet.

Growing demand for health care services has transformed the industry with increasing digitization,and traction of e-pharmacy and pharmacy chains. Increased healthcare coverage and better policysupport are likely to boost growth whereas adverse regulation could impact in a negative way. With aging populations and increasing disease, the demand for health care services, including pharmaceuticals is expected to grow. As the pharmaceuticals industry is heavily relianton the R&D to create new and innovative drugs, by investing in R&D, our company can create a pipeline of new products that can meet the evolving needs of the patients and health care providers.

2. Seek strategic partnerships for portfolio diversification.

Your Company can actively prospect with other pharmaceutical companies seeking to expand their product base in India. The Company has successfully acquired and integrated brands with Adita Bio Sys Private Limited, Siri Lab Vivio Diet Private Limited, Spring Labs and Anugraha Chemicals. Leveraging emerging opportunities and synergies across businesses, Your Company can prioritise the growth of its Contract Research and Manufacturing Services (CRAMS).

C. Global Pharma Market Performance

The global pharmaceuticals market has been performing well in recent years, with steady growth and increasing demand for healthcare products.

The market is driven by several factors, including the increasing prevalence of chronic diseases such as cancer, diabetes, and cardiovascular diseases, as well as the growing aging population. Advances in technology and innovation are also contributing to the growth of the market, with new drugs and therapies being developed to treat previously untreatable conditions.

Your Company can continue to prudently invest in R&D for introducing new chemical entities and difficult-to-manufacture molecules that address unmet medical needs.

Despite the positive outlook for the pharmaceuticals market, the industry also faces challenges such as increasing regulatory scrutiny and pricing pressures, as well as the need to demonstrate the value and cost-effectiveness of their products. Nevertheless, pharmaceuticals companies continue to invest in research and development to drive innovation and develop new products to meet the evolving needs of their customers.

D. Pharma Outlook: Positive Factors

The New Financial Year comes with a new set of challenges. As a pharmaceuticals company, we are optimistic about the industry outlook in the coming years. The global pharmaceuticals market is expected to continue to grow, driven by an aging population, rising chronic diseases, and increased healthcare spending. We are committed to investing in innovation and R&D to develop new products and maintain our competitive edge in the industry. We see significant growth opportunities in emerging markets, where there is a large and growing population, rising incomes, and increasing healthcare spending.

In addition, we recognize the increasing importance of digital health technologies in the industry. We are actively exploring ways to incorporate these technologies into our business to improve our strategic goal to achieve our desired results.

In the years ahead, Your Company anticipates a robust expansion of its business operations within the domestic market as well as international market, with a special focus on CRAMS.

Your Company is confident in its ability to operate as an ethical, just and ecologically conscious firm. The Company's diversified service offering portfolio helps it mitigate the risks associated with over-reliance on any specific product or market. As part of its transition to a

science-based Company, Your Company is making substantial investments in R&D. This will position the Company favourably to develop innovative products and maintain a competitive edge. The Company is well-positioned to maintain its growth momentum, making it an attractive prospect for long-term investors.

E. Policy Support

Governments recognize the critical role that the pharmaceuticals industry plays in providing essential healthcare products and in driving economic growth, and as such, are implementing policies and initiatives to support its development.

At the national level, governments are streamlining regulatory processes and creating a favorable business environment for pharmaceutical companies through measures such as tax incentives, funding for research and development, and investments in healthcare infrastructure. These initiatives are creating opportunities for us to invest in innovation and expand our operations.

F. Review of Operations

The company has consistently grown above market in the last several years by keeping a clear focus on providing scientific, trusted products, backed by expert clinical support.

The company's position has been enhanced through consistent scientific engagement with doctors, increasing geographic penetration.

G. Increasing Investment

Increasing Investments in R&D and Acquisitions are driving the Sector's growth.

H. Risks and Concerns

As a pharmaceuticals company, it is important to acknowledge the risks and concerns facing in our industry. These include regulatory changes, patent expirations, pricing pressures, competition from generics, and increased scrutiny on drug pricing and marketing practices. It is essential that we continue to monitor these risks and adapt our strategies to address them, while maintaining our commitment to providing innovative and effective healthcare solutions. Our goal is to mitigate these risks and navigate the challenges facing our industry with transparency and resilience.

Another concern is the potential for legal and regulatory challenges. The pharmaceuticals industry is heavily regulated, and companies must adhere to strict guidelines and regulations related to drug development, manufacturing, and marketing. Non-compliance with these regulations can result in significant fines and penalties, as well as damage to the company's reputation. Furthermore, lawsuits related to drug efficacy, safety, and potential side effects can result in significant legal costs and settlements.

We also closely monitor policy changes and developments in the industry to stay ahead of potential challenges. Overall, we remain committed to navigating the risks and challenges of the pharmaceuticals industry while maintaining a strong focus on innovation and quality outcomes.

I. Company Overview

As a pharmaceuticals company, we understand the importance of conducting regular and thorough reviews of our operations to ensure we are meeting our commitments to our stakeholders, including customers, employees, and investors. Our overviews include evaluating our performance against industry benchmarks, identifying areas for improvement, and implementing measures to enhance our business practices and maintain our position in the healthcare industry. We are committed to ongoing improvement and remain vigilant in our efforts to ensure the safety, efficacy, and quality of our products and services.

J. Performance and Operations Review

During F.Y. 2023-24, the revenue from operations was about Rs.2.78 lakhs. The Company reported a Loss of Rs.494.98 lakhs during the year against loss of Rs.755.57 lakhs in the previous year. Your directors are giving their best efforts to explore more business opportunities so as to increase the growth and profitability of the Company, in the years to come. The Company is working towards achieving better financial performance in the years to come.

K. Internal Control Systems and Adequacy

Your Company has established comprehensive Internal Control Systems with well-defined compliance guidelines, enabling smooth operations with a reasonable level of assurance. These internal controls serve to protect the Company's assets, monitor cost structures, ensure sound financial and accounting controls, and adhere to accounting standards.

The system incorporates continuous monitoring, routine reporting, checks and balances, purchase policies, authorization and delegation procedures, and regular audits. To support these internal controls, the Company maintains an Internal Audit Team and conducts periodic reviews under the management's supervision. The Audit Committee convenes regularly to assess the adequacy and scope of the internal audit function, discuss significant findings, and address any abnormal occurrences. The system undergoes continuous improvement and modification to align with changes in business conditions, statutory requirements, and accounting standards.

Your Company has adopted policies and procedures covering all financial, operating and compliance functions. These controls have been designed to provide reasonable assurance over:

1. Effectiveness and Efficiency of operations
2. Prevention and detection of fraud and errors
3. Accuracy and completeness of the accounting records
4. Timely preparation of reliable financial information
5. Safeguarding assets from unauthorised uses or losses
6. Compliance with applicable laws and regulations

This framework is sound in design and is continuously evaluated for effectiveness and adequacy. The management is committed to ensuring an effective internal controls environment, which provides assurance of compliance with internal policies, applicable laws, and regulations, ensures the accuracy of records, promotes operational efficiency, protects resources and assets and overall minimize the risks.

L. Material Development in Human Resources / Industrial Relations Front

The Number of Employees as on 31st March 2024 was 25 (Twenty-Five).

The Company's growth is predominantly attributed to the competence and quality of its human resources. Our work environment fosters a challenging and performance-oriented atmosphere, acknowledging employees' potential by offering ample opportunities. We have diligently refined our hiring process to ensure discipline and effectiveness. Prioritizing the acquisition and retention of talent aligned with the Company's goals remains a key focus area.

M. Details of Significant change in the Key Financial Ratios:

Ratios	Current Period 2023-24	Previous Period 2022-23	% Variance	Reason (if Variance is >25%)
Debtors Turnover Ratio (in times)	0.00	0.00	0.00	
Interest Coverage Ratio (in times)	-0.45	0.00	0.00	There was no debt during the previous year.
Inventory Turnover (in times)	0.11	0.00	0.00	There was no inventory and turnover during the previous year, as the company was focussing on building the assets.
Current Ratio (in times)	4.31	8.60	-50%	The current assets were high during the previous year which were used for purchase of fixed assets in the current year.
Debit Equity Ratio (in times)	0.18	0.00	0.00	There was no debt during the previous year
Net profit Ratio	-17837%	0.00	0.00	The company is focussing on building the assets; hence the revenue was very nominal.
Operating Profit Margin (%)	-20733%	0.00	0.00	The company is focussing on building the assets; hence the revenue was very nominal.
Return on Net worth Ratio (%)	-10.59%	-33.69%	-69.00%	Increase in equity and the company incurred losses due to nominal revenue.

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”)]

1. Pharmaids’s Philosophy on Corporate Governance

Pharmaids Pharmaceuticals Limited (‘PPL’) has shown its commitment towards effective Corporate Governance and places significant emphasis on the interests of its stakeholders, employees, suppliers, customers ensuring that its business practices are fair and transparent. PPL emphasizes importance on timely disclosures and transparent accounting policies.

Good corporate governance creates an in-built mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders’ aspirations and societal expectations.

Board of Directors

The Board comprises esteemed professionals from various fields, ensuring a rich blend of knowledge, viewpoints, and experience. The Board of Directors provides a long-term vision and policy approach which improves the quality of governance. It sets out the overall corporate objectives and provides direction and independence to the management to achieve these objectives for value creation through sustainable profitable growth.

a. Composition and category of Directors

The Company has a balanced and diverse Board. The Company’s Board has an optimum mix of Executive and Non-Executive Directors, to maintain independence and separates the functions of governance and management.

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013 (the ‘Act’). The Board of Directors of PPL as on March 31, 2024, comprised of 7 (Seven) Directors i.e., two Executive Directors including one Woman Director and five Non-Executive Directors of which three are Independent Directors and each of them are professionals in their respective areas of specialization and have held/holding eminent positions. The name of each member of the Board along with the Designation/Category are as given below:

Sl. No.	Name of the Director	Designation/Category	Number of other Directorship held in other public companies	No. of Membership / Chairmanship in Audit/ Stakeholder relationship Committee in other Companies (excluding Private Companies)		No and % of equity shares held in the Company
				Chairman	Member	
1.	Dr. Shankarappa Nagaraja Vinaya Babu	Chairman & Non-Executive and Non-Independent Director	1	0	0	52,00,000 (14.74%)

2.	Mr. Venu Madhava Kaparthy	Executive Director	0	0	0	8,76,300 (2.48%)
3.	Ms. Mini Manikantan	Executive Director	0	0	0	5,00,000 (1.42%)
4.	Mr. Pattamadai Natarajasarma Vijay	Independent Director	4	3	1	NIL
5.	Mr. Mopperthy Sudheer	Independent Director	0	0	0	NIL
6.	Mr. Methuku Nagesh	Independent Director	0	0	0	NIL
7.	Mr. Shreedhara Shetty	Non-Executive and Non-Independent Director	0	0	0	65,94,446 (18.70%)

b. Details of Directorship in other Listed entities as on March 31, 2024

Sl.No	Name of the Director	Directorship in other Listed entities	Category of Directorship
1.	Dr. Shankarappa Nagaraja Vinaya Babu	NIL	NA
2.	Mr. Venu Madhava Kaparthy	NIL	NA
3.	Ms. Mini Manikantan	NIL	NA
4.	Mr. Pattamadai Natarajasarma Vijay	Dabur India Limited* Maharashtra Seamless Limited	Independent Director Independent Director
5.	Mr. Mopperthy Sudheer	NIL	NA
6.	Mr. Methuku Nagesh	NIL	NA
7.	Mr. Shreedhara Shetty	NIL	NA

**Note: Mr. Pattamadai Natarajasarma Vijay ceases to be an Independent Director from Dabur India Limited w.e.f. 22nd July 2024.*

c. Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) held during the financial year 2023-24:

Name of the Director	Board Meetings entitled to attend	Board Meetings attended	Attendance in last Annual General Meeting held on September 22, 2023
Dr. Shankarappa Nagaraja Vinaya Babu ¹	02	02	NA
Mr. Venu Madhava Kaparthy	07	07	Present
Ms. Mini Manikantan	07	07	Present
Mr. Venkata Rao Sadhanala ²	03	01	NA
Mr. Pattamadai Natarajasarma Vijay	07	06	Present
Mr. Mopperthy Sudheer	07	06	Present
Mr. Methuku Nagesh	07	06	Present
Mr. Shreedhara Shetty ³	04	04	Present

- (1) *Appointed as a Chairman and Non-Executive & Non-Independent Director with effect from January 31, 2024.*
- (2) *Resigned as a Non-Executive & Non-Independent Director with effect from August 29, 2023.*
- (3) *Appointed as a Non-Executive & Non-Independent Director with effect from August 29, 2023.*

d. Number of meetings of the Board of Directors held and dates on which held.

During the financial year 2023-24, seven (7) meetings of the Board were held and the gap between two meetings did not exceed one hundred and twenty days. The notice of Board Meetings is given in advance and are held at the registered office of the Company either through video conference or through physical presence.

These Board Meetings were held on May 29, 2023; August 04, 2023; August 29, 2023; November 11, 2023; January 06, 2024; February 12, 2024, and March 02, 2024. The necessary quorum was present for all the meetings.

e. Number of shares and convertible instruments held by Non-Executive Directors as on March 31, 2024:

S. No.	Name of the Non-Executive Directors	No. of Equity Shares held (held singly or jointly as first holder)	Convertible instruments
1.	Dr. Shankarappa Nagaraja Vinaya Babu	52,00,000	Nil
2.	Mr. Shreedhara Shetty	65,94,446	Nil
3.	Mr. Mopperthy Sudheer	Nil	Nil
4.	Mr. Methuku Nagesh	Nil	Nil
5.	Mr. Pattamadai Natarajasarma Vijay	Nil	Nil

f. Independent Directors Meeting

All Independent Directors of the Company satisfy the criteria of independence as prescribed under the Companies Act, 2013 and SEBI Listing Regulations. At the time of appointment, and thereafter at the beginning of each financial year, the Independent Directors submit a self-declaration confirming their independence. All such declarations are placed before the Board for information and noting. For the current financial year, the Independent Directors have also submitted their revised declaration confirming their independence in compliance with the amended SEBI Listing Regulations.

During the financial year 2023-24, the Independent Directors Committee meeting was held on May 29, 2023, to review the performance of Non-Independent Directors and the Board as a whole taking into account the views of Executive Director and Non-Executive Directors and the meeting was attended by all the Independent Directors.

No Independent Director had resigned during the financial year 2023-24.

g. Familiarisation programmes for Independent Directors.

PPL has a robust induction process to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company and other relevant information, through various programmes and at regular intervals. The directors are made aware of their roles and duties at the time of their appointment/re-appointment through a formal letter of appointment which also stipulates other terms and conditions of their appointment.

Details of Familiarisation programs conducted by the Company are available on the website of the Company at <http://www.pharmaids.com/familiarization.html>

h. Core skills/expertise/competencies of the Directors.

The Board of your Company consists of eminent individuals from diverse backgrounds with skills, experience and expertise in various areas.

The table below summarises the key skills, expertise, competencies and attributes which are taken into consideration by the Nomination and Remuneration Committee ('NRC') while recommending the appointment of Directors to the Board.

Name of the Director	Skill / Area of Expertise / Competence				
	Finance, Law, Management, Administration	Technical Knowledge on Operations Production	Strategy/ Business Leadership	Governance/ Regulatory	Global business experience
Dr. Shankarappa Nagaraja Vinaya Babu	Yes	Yes	Yes	Yes	Yes
Mr. Venu Madhava Kaparthy	Yes	Yes	Yes	Yes	Yes
Ms. Mini Manikantan	Yes	Yes	Yes	Yes	Yes
Mr. Shreedhara Shetty	Yes	-	Yes	Yes	Yes
Mr. Mopperthy Sudheer	Yes	-	Yes	Yes	-
Mr. Methuku Nagesh	Yes	-	Yes	Yes	-
Mr. Pattamadai Natarajasarma Vijay	Yes	-	Yes	Yes	Yes

2. Audit Committee

The Audit Committee of the Company oversees the financial reporting process of the Company. The powers and role of the Audit Committee are in accordance with the Listing Regulations and the Act. The Audit Committee is governed by the terms of reference which are in line with the regulatory requirements of the Act and the Listing Regulations.

As on March 31, 2024, Audit Committee comprised 4 (four) Directors out of whom 3 (three) are Independent Directors and 1 (one) is Executive Director. Mr. Pattamadai Natarajasarma Vijay, Independent Director is the Chairman of the Committee. He possesses expert financial

knowledge. All the members of the Committee are financially literate and have necessary accounting and financial management expertise/background.

During the financial year 2023-24, six meetings of the committee were held on May 29, 2023, August 04, 2023, August 29, 2023, November 11, 2023, January 06, 2024, and February 12, 2024.

Composition of the Committee and attendance of the Members at the meetings held during the Financial Year 2023-24:

The composition, role, terms of reference as well as powers of the Audit Committee are in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

S.No	Name	Category	Designation	Meetings	
				Held	Attended
1.	Mr. Pattamadai Natarajasarma Vijay	Independent Director	Chairman	6	6
2.	Mr. Venu Madhava Kaparthy	Executive Director	Member	6	6
3.	Mr. Methuku Nagesh	Independent Director	Member	6	5
4.	Mr. Mopperthy Sudheer	Independent Director	Member	6	3

Terms of reference:

The Audit Committee oversees the audit function and ensures the integrity of both internal and statutory audits, aiming to uphold the consistency of unqualified financial statements. Operating within the framework of the Companies Act, 2013, and SEBI Listing Regulations, 2015, it aids the Board in its duty to supervise financial reporting processes, assess the effectiveness of internal financial controls and scrutinize both statutory and internal audit procedures. Key responsibilities of the Committee encompass:

1. Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor and statutory auditor, of the Company and the fixation of audit fee.
3. Approval of payments to Statutory Auditors for any other services rendered by the Statutory Auditors of the Company.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;

- iii. Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions; and
 - vii. Qualifications/modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
 6. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
 7. Formulating a policy on related party transactions, which shall include materiality of related party transactions.
 8. Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.
 9. Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.
 10. Scrutiny of inter-corporate loans and investments
 11. Valuation of undertakings or assets of the company, wherever it is necessary.
 12. Evaluation of internal financial controls and risk management systems.
 13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 15. Discussion with internal auditors of any significant findings and follow up there on.
 16. 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.
 17. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 18. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
 19. Reviewing the functioning of the whistle blower mechanism.
 20. Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate.
 21. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws.

22. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.
23. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances; and
24. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
25. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
26. Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is responsible for devising criteria for determining qualifications, attributes and independence of the Directors. It is also responsible for identifying persons to be appointed at Senior Management levels as well as devising remuneration policy for the Directors, Key Managerial Personnel and Senior Management Personnel.

As on March 31, 2024, the Nomination and Remuneration Committee comprised 4 (four) Directors out of whom 3 (three) are Independent Directors and 1 (one) is Non-Executive Non independent Director. Mr. Pattamadai Natarajasarma Vijay, Independent Director is the Chairman of the Committee.

During the Financial Year 2023-24, Three Meetings of the Committee were held on May 29, 2023, August 29, 2023, and January 05, 2024.

Composition of the Committee and attendance of the Members at the meetings held during the Financial Year 2023-24:

The composition of the Nomination and Remuneration Committee meets the requirements of Section 178 of the Act and the SEBI Listing Regulations.

Name of the Director	Designation	Category	Meetings	
			Held	attended
Mr. Pattamadai Natarajasarma Vijay	Chairperson	Independent Director	03	03
Mr. Methuku Nagesh	Member	Independent Director	03	03
Mr. Sadhanala Venkata Rao ¹	Member	Non-Executive and Non-Independent Director	03	02
Mr. Mopperthy Sudheer ²	Member	Independent Director	03	01
Mr. Shreedhara Shetty ³	Member	Non-Executive and Non-Independent Director	03	01
Dr. Shankarappa Nagaraja Vinaya Babu ⁴	Member	Non-Executive and Non-Independent Director	NA	NA

1. *Ceased as a member of the Committee with effect from August 29, 2023.*
2. *Appointed as a member of the Committee with effect from August 29, 2023.*
3. *Appointed as a member of the Committee with effect from August 29, 2023 and ceased to be a member of the Committee w.e.f. May 28, 2024.*
4. *Appointed as a member of the Committee with effect from May 28, 2024.*

Terms of reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board 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.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report.
5. Analysing, monitoring and reviewing various human resource and compensation matters.
6. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors.
7. Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary).
8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws.
9. Determining 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.
10. Perform such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021.
11. Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme").
12. Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme.
13. Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time.
14. Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination, Remuneration and Board Governance Committee.

15. Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

Performance Evaluation Criteria for Independent Directors

The Nomination and Remuneration Policy of the Company lays down the criteria of appointment and remuneration of Directors/Key Managerial Personnel including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Act and the SEBI Listing Regulations.

The Board of Directors has carried out an annual evaluation of its own performance, the performance of the Directors individually as well as the evaluation of the working of its committees through questionnaire designed with quantitative assessment and the feedback based on ratings.

The policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on <http://www.pharmaids.com/policies.html>

3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee specifically looks into the redressal of investors' complaints relating to investor service requests, non-receipt of annual reports and other investor-related matters. Additionally, the Committee also looks into matters which facilitate investors' relations.

As on March 31, 2024, the Committee comprised 3 (Three) Directors, out of whom 2 (two) are Executive Directors and 1 (one) is independent Director. Mr. Methuku Nagesh, Independent director is the Chairman of the Committee.

The composition, role, terms of reference as well as powers of the Stakeholders Relationship Committee Meeting are in compliance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. During the Financial Year 2023-24, 1 (One) meeting of the Committee was held on March 25, 2024.

Name of members and their attendance during the year are as under:

Name of the Director	Designation	Category	Meetings	
			Held	Attended
Mr. Methuku Nagesh	Chairman	Independent Director	1	1
Mr. Venu Madhava Kaparthy	Member	Executive Director	1	1
Ms. Mini Manikantan	Member	Executive Director	1	1

Terms of Reference:

1. Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints.
2. Reviewing of measures taken for effective exercise of voting rights by shareholders.
3. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities.
4. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures, and other securities from time to time.
5. Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
6. Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services.
7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

a. Name and designation of the Compliance Officer:

Mr. Kaushik Kumar was the Company Secretary and Compliance Officer (KMP) of the Company during the financial year.

Mr. Kaushik Kumar, ceased as Company Secretary and Compliance Officer (KMP) of the Company w.e.f August 14, 2024. Further, Mr. Prasanna Subramanya Bhat has been appointed as the Company Secretary and Compliance Officer of the Company as per the SEBI Listing Regulations w.e.f. August 14, 2024.

b. Number of shareholders' complaints received during the financial year:

No complaints were received during the year.

c. Number of pending complaints:

There were no complaints pending for redressal during the year under review. There were no pending transfers as on March 31, 2024.

4. Corporate Social Responsibility Committee.

The Provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to our Company.

5. Risk Management Committee

Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to forming of Risk Management Committee, is not applicable to the Company during the Financial Year under review.

6. Remuneration of Directors

The Executive Directors are paid as per the remuneration approved by the Shareholders at the time of their appointment, which is in line with the statutory requirements and the Company's policies. A revision in remuneration, if any, is recommended by the Nomination Remuneration and Board Governance Committee to the Board for its consideration by taking into account their individual performance and as well the performance of the Company in a given year. Perquisites, performance-linked incentives and retirement benefits are paid in accordance with the Company's compensation policies, as applicable to all

employees, which also details the criteria for such payments. As per the current terms of their appointment, none of the Executive Directors are entitled to commission on the net profits of the Company.

The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the Remuneration Payable to the Non – Executive Directors of the Company, within the overall limits approved by the Shareholders, as per provisions of the Companies Act, 2013.

The details of Remuneration paid/payable to the Directors of the Company for the year ended March 31, 2024 are given below:-

(₹ Lakhs)

Name of the Director	Salary & Perquisites	Sitting Fees	Commission	Professional Charges	Total
Dr. Shankarappa Nagaraja Vinaya Babu	-	-	-	-	-
Mr. Venu Madhava Kaparthy	44	-	-	-	44
Ms. Mini Manikantan	29	-	-	-	29
Mr. Shreedhara Shetty	-	-	-	-	-
Mr. Pattamadai Natarajasarma Vijay	5	-	-	-	5
Mr. Methuku Nagesh	5	-	-	-	5
Mr. Mopperthy Sudheer	-	-	-	-	-
Mr. Venkata Rao Sadhanala*	-	-	-	-	-

* Resigned as Non-Executive & Non-Independent Director effective August 29, 2023

Remuneration includes salary, bonus, variable pay (if any), perquisites, contribution to provident and superannuation fund and other benefits as per Company's policy, as applicable, from time to time. There is no provision for payment of severance fees.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre talent. The Remuneration and Nomination Policy is displayed on the Company's website at <http://www.pharmaids.com/policies.html>

7. General Body Meetings:

a. Annual General Meetings (AGM)

The Annual General Meetings (AGMs) for Financial Year ended March 31, 2021; March 31, 2022 and March 31, 2023 were held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) as detailed below:

Financial Year	Date	Day	Time(IST)	Mode of Meeting
2022-23	September 22, 2023	Friday	12:30 P.M.	Video Conference
2021-22	August 20, 2022	Saturday	12.00 P.M.	Video Conference
2020-21	September 25, 2021	Saturday	12:00 P.M.	Video Conference

All resolutions moved at the Annual General Meetings were passed through remote e-voting by the requisite majority of members. The following are the special resolutions passed at the previous three AGMs:

AGM held on	Summary of Special Resolutions
September 22, 2023	1. Approve investments, loans, Guarantees and security in excess limits specified in under section 186 of Companies Act, 2013
August 20, 2022	1. Alteration to Memorandum to bring in line with Companies Act, 2013 and other changes. 2. Adoption of new set of Articles of Association to bring it in line with Companies Act, 2013. 3. Change in Registered Office of the Company. 4. Issue of Share Warrants on Preferential Basis.
September 25, 2021	1. Appointment of Mr. Mopperthy Sudheer as an Independent Director for Second Term.

b. Extraordinary General Meetings (EGM)

The Extraordinary General Meetings during Financial Year 2023-24 was held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) as detailed below:

Financial Year	Date	Day	Time (IST)	Mode of Meeting
2023-24	January 31, 2024	Wednesday	11.30 A.M	Video Conference

All resolutions moved at the Extraordinary General Meetings were passed through remote e-voting by the requisite majority of members. The following are the special resolutions passed at the EGM:

EGM held on	Summary of Special Resolutions
January 31, 2024	<ol style="list-style-type: none"> 1. To approve implementation of the “Pharmaids Pharmaceuticals Limited – Employee Stock Option Scheme 2024”. 2. To approve implementation of the “Pharmaids Pharmaceuticals Limited – Employee Stock Purchase Scheme 2024”. 3. To approve offer of shares under the ‘Pharmaids Pharmaceuticals Limited - Employee Stock Purchase Scheme 2024’ to identified eligible Employees of the Company. 4. To approve the change in object clause of Memorandum of Association of the Company. 5. To create, offer, issue and allot up to 85,68,949 (Eighty-Five Lakh Sixty-Eight Thousand Nine Hundred Forty-Nine) No’s of Equity Shares of the Company on Preferential Basis for Consideration other than Cash. 6. To create, offer, issue and allot up to 15,74,650 (Fifteen Lakh Seventy-Four Thousand Six Hundred Fifty) No’s of Equity Shares of the Company on Preferential Basis for Consideration other than Cash. 7. To create, offer, issue and allot up to 27,22,258 (Twenty-Seven Lakh Twenty-Two Thousand Two Hundred Fifty-Eight) No’s of Equity Shares of the Company on Preferential Basis for Consideration other than Cash. 8. To approve investments, loans, Guarantees and security in excess limits specified in under section 186 of Companies Act, 2013

c. Postal Ballot

During the year, no special resolution was passed through Postal Ballot.

8. Means of Communication

Financial Results:

The Quarterly, Half-Yearly and Annual Results of the Company were normally published by the Company in the newspapers within 48 hours from the conclusion of the Board Meeting. The Results are also displayed on the Company’s website: www.pharmaids.com.

The Results are normally published by the Company in the newspapers in English version as well as in Regional Newspaper in the Vernacular language in all editions. During the year under review, the financial results of the company was published in Business Standard & Financial Express (English Daily) and Hosa Digantha (Kannada Daily). The Annual Reports with the Audited Financial Statements are sent to the Shareholders through the permitted mode.

9. General Shareholder information

a. Annual General Meeting of the Company

Date: Wednesday, September 25, 2024

Time: 11.30 a.m. (IST)

Venue: Through Video conference, please refer to the Notice of the AGM.

b. Financial Year

The financial year of the Company was from April 1, 2023, to March 31, 2024.

c. Dividend Payment

The Board of Directors has not recommended any final dividend for the financial year March 31, 2024.

d. Stock Exchanges

The Company's equity shares are listed on the following Stock Exchange as on March 31, 2024.

Name of the Exchange and Stock Code	Address & Contact details
BSE Limited ("BSE") Stock Code: 524572	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India Tel: +91 22 22721233/34; Fax: +91 22 22721919

The Company hereby confirms that the Annual listing Fees for the financial year 2024-25 has been paid to BSE Limited. It further confirms that the equity shares of the Company have never been suspended from trading by the BSE from the time it has been listed i.e. on July 13, 1994.

e. Stock Market Price Data

The Monthly high and low of the Market Price of the Equity Shares of the Company having a Face Value of Rs.10/- each on the BSE for the period from 1st April 2023 to 31st March 2024 and comparison of performance to broad based indices i.e., SENSEX are as follows:

Month	BSE SENSEX		Company Share Price		Number of Shares Traded	Turnover (Rs.)
	High Price	Low Price	High Price	Low Price		
April 2023	61209.46	58793.08	29.04	19.69	138175	30,58,804
May 2023	63036.12	61002.17	32.01	27.77	125214	38,11,542
June 2023	64768.58	62359.14	44.17	28.50	206512	74,99,500
July 2023	67619.17	64836.16	52.34	40.09	183253	89,93,443
August 2023	66658.12	64723.63	42.99	31.79	170102	61,98,379
September 2023	67927.23	64818.37	41.99	33.00	201148	76,34,464
October 2023	66592.16	63092.98	48.89	39.66	84122	37,84,741
November 2023	67069.89	63550.46	46.99	37.00	144787	59,38,901
December 2023	72484.34	67149.07	48.68	35.36	350130	1,40,07,069
January 2024	73427.59	70001.6	79.23	51.11	580502	3,57,00,316
February 2024	73413.93	70809.84	64.9	49.65	310683	1,82,59,971
March 2024	74245.17	71674.42	62.32	51.20	113202	62,24,379

f. Registrar and Transfer Agent (RTA)

All work related to Share Registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent, whose name and contact details are as given below:

M/s. Venture Capital & Corporate Investments Private Limited

Address: "Aurum", Door No.4-50/P- II/57/4F & 5F, Plot No.57, 4th & 5th Floors,
Jayabheri Enclave Phase - II Gachibowli, Telangana,
Hyderabad - 500 032.

Phone No.: 040-23818475, 23868257, 35164940

Website: <https://www.vccipl.com/index.html>.

g. Share Transfer System

The transfer of Demat Shares is done through the Depositories with no involvement of the Company. In this regard, Transfer of Shares held in Physical Form, the Transfer Documents can be lodged with M/s. Venture Capital and Corporate Investments Pvt. Ltd. at the above-mentioned address.

Hence, Shareholders holding Shares in Physical Form are requested to arrange for Dematerialisation of Shares at earliest to avoid any inconvenience for transferring those Shares.

h. Shareholding Pattern of the Company and Distribution of shareholding as on March 31, 2024

Category Code	Category of Shareholder	Total Number of Shares	As a percentage of (A+B+C)
(A)	Promoter and Promoter Group	19,88,464	5.64%
(1)	Indian	-	-
(2)	Foreign	-	-
	Total (A)	19,88,464	5.64%
(B)	Public Shareholding		
(1)	Institutions	-	-
(2)	Non-Institutions	3,32,79,348	94.36%
	Total (B)	3,32,79,348	94.36%
(C)	Shares held by Custodians, against which Depository Receipts have been issued	-	-
(1)	Promoter and Promoter Group	-	-
(2)	Public	-	-
	Grand Total (A+B+C)	3,52,67,812	100%

i. Distribution of Shareholding as on March 31, 2024

S No	Category	No.of folios	% to total folios	No.of Shares	% to total Shares
1	Up to 1 – 5,000	7404	97.70%	21,72,827	6.16
2	5,001 – 10,000	57	0.75%	4,09,928	1.16
3	10,001 – 20,000	43	0.57%	6,30,958	1.79
4	20,001 – 30,000	9	0.12%	2,23,759	0.63
5	30,001 – 40,000	7	0.09%	2,49,174	0.71
6	40,001 – 50,000	7	0.09%	3,08,321	0.87
7	50,001 – 1,00,000	20	0.26%	13,40,542	3.80
8	1,00,001 and above	31	0.41%	2,99,32,303	84.87
	Total	7578	100.00%	3,52,67,812	100.00

j. Dematerialisation of Shares and Liquidity:

As on March 31, 2024, 3,41,96,661 Equity Shares of Rs.10/- each representing 96.96% of the Total Number of Shares are in Dematerialized Form. The Company's Shares are to be compulsorily traded in Dematerialized form and are available for dematerializing on both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company's Equity Shares are regularly traded on BSE in Dematerialised form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE117D01018.

k. Outstanding GDR / ADR / Warrants or any Convertible Instruments:

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments during the year under review and hence as on March 31, 2024, the Company does not have any GDRs/ADRs/Warrants or any Convertible instruments.

l. Registered Office:

Unit 201, 2nd Floor, Brigade Rubix, 20/14 HMT Factory Main Road, Peenya Plantation, Bengaluru, Karnataka 560013.

m. Name and Designation of Compliance Officer:

Mr. Kaushik Kumar was the Company Secretary and Compliance Officer (KMP) of the Company during the financial year.

Mr. Kaushik Kumar, ceased as Company Secretary and Compliance Officer (KMP) of the Company w.e.f August 14, 2024. Further, Mr. Prasanna Subramanya Bhat has been appointed as the Company Secretary and Compliance Officer of the Company as per the SEBI Listing Regulations w.e.f. August 14, 2024.

n. There is no Commodity Price Risk or Hedging Activities involved or applicable.

10. Other Disclosures

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

All transactions entered into with related parties are in ordinary course of business as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review. These have been approved by the Audit Committee and by the shareholders of the Company, where required, in terms of provisions of the SEBI Listing Regulations.

The Company has not entered into any materially significant related party transaction that may have potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board of Directors from time to time is uploaded on the Company's website viz. <http://www.pharmaids.com/policies.html>

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

There were no cases of non – compliance by the Listed Entity, no penalties and strictures were imposed on the Listed Entity by the Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last three years.

c. Vigil Mechanism/Whistle-Blower Policy

The Whistle Blower (Vigil) Mechanism provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or Policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the

Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company Rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by Whistle Blowers concerning its Employees. The Whistle Blower Policy of the Company is also posted on the website of the Company <http://www.pharmaids.com/policies.html>

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. Weblink for Policy on determination of Material Subsidiary and Policy on Related Party Transactions:

The Policy for determining the Material Subsidiaries and RPT can be accessed at company website <http://www.pharmaids.com/policies.html>

f. Disclosure of Commodity price risks and commodity hedging activities

There is no Commodity Price Risk or Hedging Activities involved or applicable.

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

In accordance with the SEBI Circular No. CIR/CFD/CMD1/162/2019 dated December 24, 2019 and pursuant to Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that where a listed entity has raised funds through preferential allotment or qualified institutions placement, the listed entity shall disclose every year, the utilization of such funds during that year in its Annual Report until such funds are fully utilized. In this connection, the Company has fully utilized the amount raised through allotment of equity shares, consequent to the conversion of 9,25,000 Share warrants issued on preferential basis and the purpose for which these proceeds were raised has been achieved and there is no deviation in the use of the amount raised through allotment of Equity Shares consequent to the conversion of Share warrants.

h. Certificate from Practicing Company Secretary on Non-Disqualification of Directors

Kashinath Sahu & Co., Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate forms part of this annual report.

i. Recommendation of Committees

During the financial year ended March 31, 2024, the Board of Directors of the Company had accepted recommendation of all the committees of the Board, which were mandatorily required.

j. Auditors' Remuneration

Total fees paid by the entity and its subsidiaries on consolidated basis to the statutory auditors is Rs. 6,70,000/- (Rupees Six Lakhs Seventy Thousand Only).

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

The Company has adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under and has constituted Internal Complaints Committee (ICC) under the said Act. No complaint has been received by the ICC, during the Year as under:

Number of Complaints filed during the Financial Year	Nil
Number of Complaints disposed of during the Financial Year	Nil
Number of Complaints pending as on end of the Financial Year	Nil

l. Disclosure of Loans and advances in the nature of loans to firms/companies in which Directors are interested:

The Company does not have any 'Loans and advances' in the nature of loans to firms/companies in which directors are interested by name and amount.

m. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

The Company has two material subsidiaries as on 31st March 2024, the details of which are mentioned below:

Name of the material Subsidiary	Date of Incorporation / registration	Place of Incorporation	Name of statutory Auditor	Date of appointment of Statutory Auditor
Adita Bio Sys Private Limited	February 25, 2015	India	M/s. N S Nagaraj & Co. Chartered Accountants	August 14, 2023
Anugraha Chemicals ("Registered Partnership Firm")	March 13, 1993	India	M/s. Chayashree & Associates, Chartered Accountant.	April 01, 2023

11. Non-compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any.

There was no non-compliance by the Company under any requirements of Corporate Governance Report as specified in sub-paras (2) to (10) of Para C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

12. Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

The Company is in compliance with all the mandatory requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), Regulations, 2015 as applicable with regards to Corporate Governance.

The Company has obtained a certificate from a Practicing Company Secretary in compliance with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations. A copy of the Certificate also forms part of this Annual Report.

13. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

The declaration to this effect signed by the Chief Executive Officer has been annexed to this report.

14. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report.

Compliance Certificate from M/s Kashinath Sahu & Co., Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance has been annexed to report.

**15. Disclosures with respect to demat suspense account/ unclaimed suspense account
Equity Shares in the Suspense Account**

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of Equity Shares in the Suspense Account are as follows:

Sl No.	Particulars	Number of Shareholders	Number of Equity Shares
1.	Aggregate Number of Shareholders and the Outstanding Shares in the Suspense Account as on April 1, 2023	802	80520
2.	Shareholders who approached the Company for transfer of Shares from Suspense Account during the Year	-	-
3.	Shareholders whose Shares are transferred to the Demat Account of the IEPF Authority as per Section 124 of the Act	-	-
4.	Aggregate Number of Shareholders and the Outstanding Shares in the Suspense Account as on March 31, 2024	802	80520

Note: Voting rights in respect of these shares will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned shareholder.

16. Disclosure of certain types of agreements binding listed entities.

There are no agreements impacting management or control of the Company or imposing any restriction or create any liability upon the Company which require disclosure under Clause 5A of Para A of Part A of Schedule III of the Listing Regulations.

**Bengaluru
August 28, 2024**

Sd/-

**Dr. S N Vinaya Babu
Chairman and Non-Executive
Non-Independent Director
(DIN:01373832)**

Sd/-

**Venu Madhava Kaparthy
Whole Time Director
(DIN:00021699)**

FORM MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the companies Act, 2013 3 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Pharmaids Pharmaceuticals Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Pharmaids Pharmaceuticals Limited (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the '**Act**') and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. The 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 prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**
- f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act, 2013 and dealing with client; **(Not applicable to the Company during the audit period)**
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);** and
- j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. Payment of Wages Act, 1936, and Rules made thereunder
- b. The Minimum Wages Act, 1948, and rules made thereunder
- c. Employees state insurance Act 1948 and rules made thereunder
- d. The employees provident fund and miscellaneous provisions Act 1952 and rules made thereunder Drugs and Cosmetics Act, 1940
- e. Drugs and Magic remedies (Objectionable Advertisement) Act 1954
- f. Narcotic Drugs and psychotropic Substances Act, 1985
- g. The Trademarks Act, 1999

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

- i. Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India with respect to board and general meetings; and
- ii. Listing Agreements entered into by the Company into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and filed requisite forms and returns with in the due date except for an instance where they have filed beyond due date, with additional fee and the same were approved by the Ministry of Corporate Affairs.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the meetings of the Board and Committee. Except where consent of directors was received for scheduling meeting at a shorter notice, 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.
- All decisions at the Board Meetings and Committee Meetings are passed with requisite approvals, as recorded in the minutes.

I further report that:

- There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- Increase of Authorized Share Capital from the existing Rs. 30,00,00,000/- (Rupees Thirty Crores Only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- (Rupee Ten Only) each to Rs. 45,00,00,000/- (Rupees Forty-Five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakh) Equity Shares of Rs. 10/- (Rupee Ten Only) each as approved by the members at their Extra Ordinary General Meeting held on 31st January, 2024.
- During the audit period, the Company has introduced “Pharmaids Pharmaceuticals Limited - Employee Stock Option Scheme 2024” & “Pharmaids Pharmaceuticals Limited - Employee Stock Purchase Scheme 2024” (“**the Schemes**”). Both the schemes were approved on January 06, 2024 by Borad of Directors and on January 31, 2024 by shareholders by passing Special Resolution.
- During the audit period, the Company has allotted 9,25,000 Equity Shares (consequent to the conversion of 9,25,000 share warrants allotted on October 13, 2022) having face value of Rs. 10/- each at a premium of Rs. 5/- each on preferential basis. After the said conversion, there are no other share warrants outstanding for conversion.
- During the audit period, the Company has allotted 1,28,56,578 Equity Shares of the Company having a Face Value of 10/- (Rupee Ten Only) each at a price of 40.87/- (Rupees Forty and Eighty Seven Paise only) per Equity Share (including a premium of 30.87/- (Rupees Thirty and Eighty Seven Paise Only) per share on March 02, 2024 to shareholders

of Adita Bio Sys Private Limited (“Adita”) for consideration other than cash [i.e. swap of shares of Adita Bio Sys Private limited towards full payment of the total consideration payable for the acquisition of 36,73,308 Shares representing 99.86% shareholding of the Adita] on a Preferential Issue basis pursuant to the approval of the Shareholders in Extra Ordinary General Meeting held on January 31, 2024. After the issue, the Equity Share Capital of the Company stood at Rs. 35,26,78,120 (Rupees Thirty-Five Crores Twenty-Six Lakh Seventy-Eight Thousand One Hundred and Twenty Only).

- Pursuant to the above issuance of equity shares to the shareholders of Adita Bio Sys Private Limited, Being a full consideration discharged by the company for the acquisition 36,73,308 Equity shares representing 99.86% stake in Adita consequently Adita has become Subsidiary of the company.
- Furthermore, Siri Labvivo Diet Private Limited and Spring Labs, which are subsidiaries of Adita Bio Sys Private Limited, have now become step-down subsidiaries of the Company during the review period.

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

**For M/s Kashinath Sahu & Co.,
Practising Company Secretaries
Sd/-**

CS Kashinath Sahu
Practicing Company Secretary
FCS: 4790 CP: 4807

UDIN No.: F004790F001058249
Peer Review No: 2957 / 2023

Date: 28.08.2024
Place: Hyderabad

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

To,
The Members,
Pharmaids Pharmaceuticals Limited

Our Secretarial Audit Report for the year ended on March 31, 2024 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. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M/s Kashinath Sahu & Co.,
Practising Company Secretaries**

Sd/-

CS Kashinath Sahu

(Proprietor)

FCS: 4790 CP: 4807

UDIN No.: F004790F001058249

Peer Review No: 2957 / 2023

Date: 28.08.2024

Place: Hyderabad

FORM MR-3

**SECRETARIAL AUDIT REPORT OF ADITA BIO SYS PRIVATE LIMITED FOR THE FINANCIAL YEAR ENDED
MARCH 31, 2024
(Material Subsidiary of Pharmaids Pharmaceuticals Limited)**

[Pursuant to section 204(1) of the companies Act, 2013 3 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Adita Bio Sys Private Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Adita Bio Sys Private Limited (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- a. The Companies Act, 2013 (the '**Act**') and the rules made thereunder;
- b. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder; (**Not Applicable**)
- c. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder; (**Not Applicable**)
- d. The 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; (**Not Applicable**)
- e. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') : - (**All of the following regulations are Not Applicable**)
- f. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- g. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
- i. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- j. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- k. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- l. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act, 2013 and dealing with client;
- m. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
- n. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- o. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. Payment of Wages Act, 1936, and Rules made thereunder
- b. The Minimum Wages Act, 1948, and rules made thereunder
- c. Employees state insurance Act 1948 and rules made thereunder
- d. The employees provident fund and miscellaneous provisions Act 1952 and rules made thereunder
- e. Drugs and Cosmetics Act, 1940
- f. the Prevention of Cruelty to Animals Act (1960)
- g. Import export code
- h. Good laboratory Practices as per Organisation for Economic Co-operation and Development & National Accreditation Board for Testing and Calibration Laboratories guidelines

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

- iii. Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India with respect to board and general meetings; and

- iv. Listing Agreements entered into by the Company into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. **(Not Applicable)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and filed requisite forms and returns with in the due date except for an instance where they have filed beyond due date, with additional fee and the same were approved by the Ministry of Corporate Affairs.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the meetings of the Board. Except where consent of directors was received for scheduling meeting at a shorter notice, 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.
- All decisions at the Board Meetings were carried out, as recorded in the minutes the meetings of the Board of Directors.

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

I further report that during the period under review

- a. The Company has allotted 3,00,000 (Three Lakhs) Non-convertible Redeemable Preference Shares of Rs.100/- (Rupees hundred only) each to Mr. Gokaram Ramkrishna Balaji.**

During the year under review, the Company has issued and allotted 3,00,000 (Three Lakhs) Non-convertible Redeemable Preference Shares of Rs.100/- (Rupees hundred only) each to Mr. Gokaram Ramkrishna Balaji to convert the advance of Rs.3,00,00,000/- (Rupees Three Crore Only) received by the Company from him, in different tranches during the financial year 2023-24.

- b. The Company has allotted 26,78,459 Equity shares of the face value of Rs.10/- at a price of Rs. 90/-each (Face value Rs.10/- and Premium of Rs. 80/-) on a preferential basis.**

During the year under review, the Company has issued and allotted 26,78,459 Equity shares of the face value of Rs.10/- at a price of Rs. 90/-each (Face value Rs.10/- and Premium of Rs. 80/-) on a preferential basis.

c. The Status of the Company has changed from Private Limited to Deemed Public Company.

During the year, 'Pharmaids Pharmaceuticals Limited' (A listed company) has taken over 99.86% stake of the Company from the existing shareholders of the Company. Pursuant to transactions, the Company is now a material subsidiary of Pharmaids Pharmaceuticals Limited and is considered to be deemed Public Company as per section 2(71) of Companies Act, 2013 and other applicable provisions.

d. The Company has acquired 90.00 % stake in Spring Labs ("The Firm"):

The company has acquired 90.00% partnership interest in Spring Labs during the financial year 2023-24 pursuant to which Spring Labs is now the subsidiary of Adita.

e. The Company has acquired 60.00% stake in Siri Labvivo Diet Private limited:

As a part of In-organic growth your company and in line with strategy to grow and with the aim of expanding market share, company has identified Siri as one of the potential strategic targets.

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

**For M/s Kashinath Sahu & Co.,
Practising Company Secretaries**

Sd/-

CS Kashinath Sahu

Practicing Company Secretary

FCS: 4790 CP: 4807

UDIN No.: F004790F001023214

Peer Review No: 2957 / 2023

Date: 22.08.2024

Place: Hyderabad

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

To,
The Members,
Adita Bio Sys Private Limited

Our Secretarial Audit Report for the year ended on March 31, 2024 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. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M/s Kashinath Sahu & Co.,
Practising Company Secretaries**

Sd/-

CS Kashinath Sahu

(Proprietor)

FCS: 4790 CP: 4807

UDIN No.: F004790F001023214

Peer Review No: 2957 / 2023

Date: 22.08.2023

Place: Hyderabad

CEO AND CFO CERTIFICATION

To
Board of Directors
Pharmaids Pharmaceuticals Limited

Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, S Prasad, Chief Executive Officer and Balangadhara B C, Chief Financial Officer of Pharmaids Pharmaceuticals Limited, to the best of our knowledge and belief, certify that:

- A. We have reviewed Audited Financial results for the Financial Year ended March 31st, 2024, and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that
3. there are no Significant changes in internal control over financial reporting during the year
 4. there are no Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 5. there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 28 August 2024
Place: Bengaluru

Sd/-
Dr. S Prasad
Chief Executive Officer

Sd/-
Balangadhara B C
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Sub-clause 10(i) of Clause C of Schedule V of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
Pharmaids Pharmaceuticals Limited

I have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of Pharmaids Pharmaceuticals Limited (CIN: L52520KA1989PLC173979) and having the Registered Office located at Unit 201, 2nd Floor, Brigade Rubix, 20/14 HMT Factory Main Road, Peenya Plantation, Bengaluru, Karnataka 560013 (hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) of Clause C of Schedule – V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of information and according to the verifications (including Directors Identification Number (DIN) Status at the portal: (www.mca.gov.in) as considered necessary and explanations furnished by the Company, I hereby certify that None of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as the Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S No.	Name of the Director	Designation	DIN
1	Venu Madhava Kaparthy	Executive Director	00021699
2	Mini Manikantan	Executive Director	09663184
3	Shankarappa Nagaraja Vinaya Babu	Non-Executive & Non-Independent Director	01373832
4	Shreedhara Shetty	Non-Executive & Non-Independent Director	02776638
5	Pattamadai Natarajasarma Vijay	Independent Director	00049992
6	Methuku Nagesh	Independent Director	01634324
7	Mopperthy Sudheer	Independent Director	00404917

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For M/s Kashinath Sahu & Co.,
Practising Company Secretaries
Sd/-**

CS Kashinath Sahu
Practicing Company Secretary
FCS: 4790 CP: 4807

UDIN No.: F004790F001058260
Peer Review No: 2957 / 2023

Date: 28.08.2024
Place: Hyderabad

CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

[Under Regulation 34(3) Read with Schedule – V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members of

Pharmaids Pharmaceuticals Limited

1. I, Kashinath Sahu, Company Secretary in Practice, the Secretarial Auditor of Pharmaids Pharmaceuticals Limited (“the Company”) have examined the compliances of the conditions of Corporate Governance by the Company for the Financial Year ended 31st March’ 2024 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and para C, D and E of Schedule – V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).
2. The compliance of the conditions of Corporate Governance is the responsibility of the Management and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.
3. I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
4. In my opinion and to the best of my information and according to the explanations given to us and the representation made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
5. I further state that such Compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For M/s Kashinath Sahu & Co.,
Practising Company Secretaries**

Sd/-

CS Kashinath Sahu

Practicing Company Secretary

FCS: 4790 CP: 4807

UDIN No.: F004790F001058251

Peer Review No: 2957 / 2023

Date: 28.08.2024

Place: Hyderabad

**Declaration Regarding Compliance by Board Members and Senior Management Personnel
with the Company's Code of Conduct**

To,
The Shareholders
Pharmaids Pharmaceuticals Limited

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Dr. S Prasad, Chief Executive Officer of the Company do hereby declare that the Directors and Senior Management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the Code of Conduct as prescribed by the Company and have adhered to the provisions of the same.

By Order of the Board of Directors

Date: 28.08.2024
Place: Bengaluru

Sd/-
Dr. S Prasad
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS OF
PHARMAIDS PHARMACEUTICALS LIMITED.
BENGALURU**

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **PHARMAIDS PHARMACEUTICALS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of profit and loss, and statement of cash flows for the period ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information [hereinafter referred to as "the Financial Statements"].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Profits, (*changes in equity*) and its cash flows for the period ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Key Audit Matters

Key Audit Matters are those matter that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and We have determined the matter described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our Audit addressed the key audit matter
<p>Carrying value of Investment in Subsidiary entity. The Company has increased its investment in its associate Anugraha chemicals from 25.64% to 50.60% which results in Subsidiary of the company.</p> <p>The carrying value of such investment as on the reporting date is Rs.5.06 lakhs towards Capital a/c and Rs. 488.88 lakhs (net) towards Current a/c.</p>	<p>Discussion with the management on the development during year ended March 31st, 2024</p> <p>Review of the disclosures made by the company in the financial statements in this regard.</p> <p>Obtain representation letter from the management on the assessment of these matters.</p>
<p>Carrying value of Investment in Subsidiary entity. The company has made investment in Adita Bio Sys Private Limited through share swap by issuing 1,28,56,578 equity share of the company. The company has acquired 99.86% and its carrying value as on reporting date is Rs. 5,254.48 lakhs.</p>	<p>Discussion with the management on the development during year ended March 31st, 2024</p> <p>Review of the disclosures made by the company in the financial statements in this regard.</p> <p>Obtain representation letter from the management on the assessment of these matters.</p>

Management's Responsibility for the Financial Statements

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

In preparing the Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.

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

- A. Identify and assess the risks of material misstatement of the 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.
- B. 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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 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.
- E. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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 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.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) & Cash Flow statements dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) According to information and explanations given to us together with our audit examination, reporting with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls we give in Annexure B to the extent applicable.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

IV.

- 1) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- 2) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- 3) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

V. No Dividend has been declared or paid during the year by the company, hence provisions of section 123 of the Companies Act, 2013, are not applicable.

VI. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For PPKG & Co

Chartered Accountants

Firm's Registration No: 0096555

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

UDIN: 24205140BKALKP4289

Place: Hyderabad

Date: 28-08-2024

Annexure – A to the Independent Auditor’s Report of even date to the Members of M/s Pharmaids Pharmaceuticals Limited, on the Standalone Financial Statements for the Year ended March 31, 2024

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone Financial Statements of the Company and taking into consideration the information and explanations given to us and the Books of Accounts and other records examined by us in the normal course of Audit, and to the best of our knowledge and belief, we report that:

- (i)
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - b. The Company has a regular program of physical verification of its Fixed Assets under which Fixed Assets are verified in a phased manner over a period.
 - c. The Title Deeds of all the Immovable Properties (which are included under the head ‘Property, Plant and Equipment’) are held in the name of the Company.
 - d. The Company has not revalued any of its Property, Plant and Equipment’s during the year.
 - e. As per the information given to us there are no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and Rules made there under.
- (ii)
 - a. The Management has conducted physical verification of Inventory at regular intervals of time.
 - b. The Company has not availed any Financial Assistance from any Bank or Financial Institutions.
- (iii) The Company has not granted any Loans, secured or unsecured, to any Companies, Firms, Limited Liability Partnerships or other parties. The Company has invested in
 - a. a Partnership firm named Anugraha Chemicals amounting to Rs. 5.06 lakhs towards capital and net balance in the current account as on 31st March, 2024 is Rs. 488.88 lakhs (net) for obtaining stake of 50.60%;
 - b. in a Private Limited Company named Adita Bio Sys Private Limited amounting to Rs. 5,254.48 lakhs (By issue of share for consideration other than cash) for obtaining stake of 99.86%.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of the Investments and Loans. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of Guarantees and Security.
- (v) In our opinion, the Company has not accepted any Deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The provisions of Section 148 are not applicable to the Company.

(vii) (a) Undisputed Statutory Dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and other Material Statutory Dues, as applicable, have generally been regularly deposited with the appropriate authorities.

(b) There is no Dues outstanding in respect of Income Tax, Sales Tax, Service Tax, Duty of Customs on account of disputes:

(viii) All the transactions recorded in the books of account have been disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

- a. The Company has not defaulted in repayment of Loans or Borrowings to any Bank during the Year under review. The Company has No Loans or Borrowings payable to Financial Institutions or Government and does not have any Outstanding Debentures during the year.
- b. The Company is not declared Wilful Defaulter by any Bank or Financial Institution or other Lender.
- c. The Company has not raised any Term Loan from any Bank or Financial Institution.
- d. To the extent of our check, no funds raised by the Company for short-term has been utilized for long term purposes.
- e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries, Associates or Joint Ventures.
- f. The Company has not raised loans during the Year on the Pledge of Securities held in its Subsidiaries, Joint Ventures or Associate Companies.

(x)

- a. The Company has not raised any moneys by way of Initial Public Offer or Further Public Offer during the year under review, but there is an increase in Authorised Capital as well as paid up share capital and the requisite details have been disclosed in the Financial Statements as required by the applicable Ind As.
- b. The Company has made Preferential Allotment or Private Placement of Shares or Convertible Debentures during the year under review. (Please Find below details of the Preferential Allotment of shares during the year under review)

During the year, company has acquired Adita Bio Sys Private Limited through share swap by issuing 1,28,56,578 equity shares at Rs.40.87 including Securities Premium of Rs.30.87 with a face value of Rs.10 each of Pharmads Pharmaceuticals Limited by passing a Board Resolution.

(xi)

- a. In our opinion, no fraud by the Company or any fraud on the Company has been noticed or reported during the year under review.
- b. No Report under sub-section (12) of section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. No Whistle Blowers Complaints were received during the year under review.

- (xii) In our opinion, the Company is not a Nidhi Company, and accordingly, provisions of Clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the Related Parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the Standalone Financial Statements etc., as required by the applicable Ind AS.
- (xiv) The Company has established an Internal Audit System commensurate with the size and nature of its Business. The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) In our opinion, the Company has not entered in any non-cash transactions with the Directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the order are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) The Company has incurred cash losses in the Financial Year amounting to Rs 477.27 lakhs and in the immediately preceding Financial Year amounting to Rs 753.89 lakhs.
- (xviii) The Statutory Auditors of the Company has not resigned during the year.
- (xix) On the basis of the Financial Ratios, ageing and expected dates of realisation of Financial Assets and payment of Financial Liabilities, other information accompanying the Financial Statements, the Auditor's knowledge of the Board of Directors and the Management's plans, the Auditor is of the opinion that no material uncertainty exists as on the date of the Audit Report and that the Company is 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) The Company is not liable to contribute under Section 135 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xx) of the order are not applicable.
- (xxi) There has been no qualifications and adverse remarks by the respective Auditors in the Companies (Auditor's Report) Order (CARO) Reports of the Companies to be included in the Consolidated Financial Statements.

For PPKG & Co

Chartered Accountants

Firm's Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Annexure – B to the Independent Auditor’s Report of even date to the Members of M/s Pharmaids Pharmaceuticals Limited, on the Financial Statements for the Year ended March 31, 2024
Independent Auditor’s Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

Opinion

1. In conjunction with our Audit of the Financial Statements of M/s Pharmaids Pharmaceuticals Limited (‘the Company’) as at and for the Year ended March 31, 2024, we have audited the Internal Financial Controls Over Financial Reporting (‘IFCoFR’) of the Company as at that date.
2. In our opinion, the Company has, in all material respects, adequate Internal Financial Controls over Financial Reporting and such controls were operating effectively as at March 31, 2024, based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of Internal Control as stated in the Guidance Note issued by the ICAI.

Management’s Responsibility for Internal Financial Controls

3. The Company’s Board of Directors 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, as stated in the Guidance Note on *Audit of Internal Financial Controls Over Financial Reporting* (‘the Guidance Note’) 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 the Company’s Business, including adherence to the Company’s Policies, the Safeguarding of its Assets, the prevention and detection of frauds and errors, the accuracy and completeness of the Accounting Records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

4. Our responsibility is to express an opinion on the Company’s IFCoFR based on our Audit. We conducted our Audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an Audit of the IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
5. Our Audit involves performing procedures to obtain Audit Evidence about the adequacy of the IFCoFR and their operating effectiveness. Our Audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the Internal Controls 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.
6. We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company’s IFCoFR.

Meaning of Internal Financial Controls Over Financial Reporting

7. A Company's IFCoFR 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 the Generally Accepted Accounting Principles. A Company's IFCoFR include those policies and procedures that
- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the Company;
 - (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Financial Statements in accordance with the 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
 - (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. Because of the Inherent Limitations of the IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the Policies or Procedures may deteriorate.

For PPKG & Co

Chartered Accountants

Firm's Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Standalone Balance Sheet

As at March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	1,613.85	10.61
Capital work-in-progress	3(b)	229.72	200.00
Right-of-use assets	3(c)	41.32	-
Financial assets			
(i) Investments	4(a)	5,259.54	-
(ii) Other financial assets	5	495.17	8.50
Deferred tax assets (net)	6	384.44	270.75
Other non-current assets	7(a)	-	137.06
Total non-current assets		8,024.05	626.92
Current assets			
Inventories	8	22.93	-
Financial assets			
(i) Investments	4(b)	-	327.04
(ii) Trade receivables	9	-	205.43
(iii) Cash and cash equivalents	10	245.93	1,275.42
Other current assets	7(b)	207.16	20.19
Total current assets		476.01	1,828.07
TOTAL ASSETS		8,500.06	2,454.99
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	3,526.78	2,144.38
Other equity	12	3,579.31	98.15
Total equity		7,106.09	2,242.53
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	1,250.00	-
(ii) Lease liabilities	3(c)	27.79	-
Provisions	16(a)	5.81	-
Total non-current liabilities		1,283.60	-

Standalone Balance Sheet

As at March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
Current liabilities			
Financial liabilities			
(i) Lease liabilities	3(c)	14.71	-
(ii) Trade payables			
total outstanding dues of micro and small enterprises	15	-	-
total outstanding dues of creditors other than micro and small enterprises	15	-	188.31
(iii) Other financial liabilities	14	76.64	16.67
Provisions	16(b)	0.48	-
Other current liabilities	17	18.55	7.49
Total Current Liabilities		110.37	212.47
TOTAL EQUITY AND LIABILITIES		8,500.06	2,454.99

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For PPKG & Co

For Pharmaids Pharmaceuticals Limited

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Sd/-

Dr. S N Vinaya Babu

Chairman

& Non-Executive Director

DIN: 01373832

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Dr. S Prasad

Chief Executive Officer

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Standalone Statement of Profit and Loss

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	18	2.78	-
Other income	19	79.50	-
Total income		82.27	-
Expenses			
Purchase of stock-in-trade	20	25.42	-
Changes in inventories of finished goods and work-in-progress	21	(22.93)	88.76
Employee benefits expense	22	198.78	113.10
Finance costs	23	33.34	-
Depreciation and amortisation expense	3	17.72	1.68
Other expenses	24	438.62	787.22
Total expenses		690.95	990.76
Profit before tax and exceptional items		(608.67)	(990.76)
Exceptional items		-	-
Profit before tax		(608.67)	(990.76)
Tax expense			
Current tax		-	-
Deferred tax		(113.69)	(235.20)
Total Tax Expense		(113.69)	(235.20)
Profit for the year		(494.98)	(755.57)
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans and equity instruments		-	-
Income tax effect		-	-
(ii) Items that will be reclassified subsequently to profit or loss			
Effective portion of gains/(losses) on hedging instrument in cash flow hedges		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of taxes		-	-
Total comprehensive income for the year		(494.98)	(755.57)
Earnings per equity share			
Basic (in Rs)		(2.18)	(5.86)
Diluted (in Rs)		(2.18)	(5.86)

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For PPKG & Co

For Pharmaids Pharmaceuticals Limited

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Sd/-

Dr. S N Vinaya Babu

Chairman

& Non-Executive Director

DIN: 01373832

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Sd/-

Dr. S Prasad

Chief Executive Officer

Standalone Statement of Changes in Equity

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

(A) Equity share capital

Particulars	Amount
Balance as at April 1, 2022	1,031.12
Changes during the year	1,113.26
Balance as at March 31, 2023	2,144.38
Changes during the year	1,382.40
Balance as at March 31, 2024	3,526.78

(B) Other Equity

Particulars	Reserves and Surplus				
	Capital subsidy	Securities Premium	Share application money pending allotment	Retained Earnings	Total
Balance as at April 1, 2022	9.94	63.65	-	(233.32)	(159.72)
Profit for the year	-	-	-	(755.57)	(755.57)
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(755.57)	(755.57)
Transactions recorded directly in equity					
Issue of shares	-	978.75	-	-	978.75
Receipt of share application money	-	-	34.69	-	34.69
Balance as at March 31, 2023	9.94	1,042.40	34.69	(988.88)	98.15
Profit for the year	-	-	-	(494.98)	(494.98)
Other comprehensive income, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(494.98)	(494.98)
Transactions recorded directly in equity					
Issue of shares	-	4,015.08	-	-	4,015.08
Receipt of share application money	-	-	104.06	-	104.06
Allotment of shares	-	-	(138.75)	(4.24)	(142.99)
Balance as at March 31, 2024	9.94	5,057.48	-	(1,488.10)	3,579.31

As per our report of even date attached

For PPKG & Co

For Pharmaida Pharmaceuticals Limited

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Sd/-

Dr. S N Vinaya Babu

Chairman

& Non-Executive Director

DIN: 01373832

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

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Whole Time Director

DIN: 00021699

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Sd/-

Dr. S Prasad

Chief Executive Officer

Standalone Statement of Cash Flows

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Net Profit Before Tax	(608.67)	(990.76)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation	17.72	1.68
Interest income	(14.83)	-
Finance Cost	33.34	-
Liabilities written back	(64.61)	-
(Gain)/ Loss on sale of fixed asset	-	3.06
Provision for bad debts	80.81	-
Share of loss in partnership firm	206.53	-
<i>Adjustments for changes in working capital:</i>		
(Increase)/decrease in inventories	(22.93)	88.76
(Increase)/decrease in trade receivables	205.43	70.06
(Increase)/decrease in other current assets	(49.91)	456.87
Increase/(decrease) in trade payables	(188.31)	(42.27)
Increase/(decrease) in other financial liabilities	59.97	16.67
Increase/(decrease) in other provisions	6.29	-
Increase/(decrease) in other current liabilities	(5.14)	(6.00)
Cash generated from/(used in) operations	(344.32)	(401.93)
Income tax paid	-	-
Net cash flows generated from/(used in) operating activities (A)	(344.32)	(401.93)
Cash flows from investing activities		
Purchase of property, plant and equipment incl. CWIP	(1,637.28)	(167.29)
Interest on bank deposits	12.84	-
Investment in subsidiaries	(5,626.48)	(327.04)
Net cash flow generated from/(used in) investing activities (B)	(7,250.92)	(494.33)
Cash flow from Financing activities		
Proceeds from/ (Repayment of) borrowing	(125.00)	-
Proceeds from borrowing	1,375.00	-
Proceeds from issue of equity shares	5,358.55	2,096.25
Proceeds from share application money	-	34.69
Interest on loan	(27.11)	-
Repayment of lease liabilities	(15.69)	-
Net cash flow generated from/(used in) financing activities (C)	6,565.75	2,130.94
Net increase in cash and cash equivalents (A+B+C)	(1,029)	1,235
Cash and cash equivalents at the beginning of the year	1,275.42	40.74
Cash and cash equivalents at the end of the year	245.93	1,275.42

Standalone Statement of Cash Flows

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash and cash equivalents comprise		
Cash on hand	0.46	0.31
Balances with banks in current & deposit accounts	45.51	1,275.10
Deposits with original maturity of less than 3 months	199.96	-
Total cash and cash equivalents	245.93	1,275.42

As per our report of even date attached

For PPKG & Co

For Pharamids Pharmaceuticals Limited

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Sd/-

Dr. S N Vinaya Babu

Chairman

& Non-Executive Director

DIN: 01373832

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Dr. S Prasad

Chief Executive Officer

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

1. Company Overview

Pharmaids Pharmaceuticals Limited (“the Company”) is a public limited company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 2013. The registered office of the Company is located at Unit 201, 2nd Floor, Brigade Rubix, 20/14, HMT Factory Main Road, Peenya Plantation, Bangalore, Karnataka. The Company is engaged in the business of contract research and manufacturing services. These financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 28th August 2024.

2. Significant accounting policies

2.1. Basis of Preparation of Financial Statements

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company’s annual reporting date, March 31, 2024. These financial statements were authorised for issuance by the Company’s Board of Directors on 28th August 2024.

b) Basis of measurement

The financial statements have been prepared on historical cost convention and on accrual basis, except for the following items in the balance sheet:

- i. Certain financial assets and liabilities measured either at fair value or at amortised cost depending on the classification.
- ii. Defined employee benefit liabilities are recognised at the present value of defined benefit obligation adjusted for fair value of plan assets.

c) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

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

An asset is classified 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.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current assets/liabilities include the current portion of non-current assets/liabilities respectively. All other assets/liabilities including deferred tax assets and liabilities are classified as non-current.

d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management of the company to make judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period.

e) Fair value measurement

The Company's accounting policies and disclosures require the measurement of fair values, for certain financial and non-financial assets and liabilities based on their classification.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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

2.2. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, freight, non-refundable taxes and duties, specified foreign exchange gains or losses and any other cost attributable to bring the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress' and hence not depreciated.

Depreciation method, estimated useful lives and residual values

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the Straight-Line Method (SLM) method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

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

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized 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 other income/other expenses when the asset is derecognized.

2.3. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

2.4. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the

date that they are available for use. The estimated useful life of an identifiable intangible asset is based on several factors including the effects of obsolescence, other economic factors etc. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Subsequent expenditure

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

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period, with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset.

2.5. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.6. Leases (as a lessee)

The company assesses whether a contract contains a lease, at the inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assesses whether a contract conveys the right to control use of an identified asset, the company assesses whether:

- The contract involves use of an identified asset;
- The company has substantially all the economic benefits from the use of the asset through the period of lease; and
- The company has the right to direct the use of an asset.

At the date of commencement of lease, the company recognises a Right-of-use assets (“ROU”) and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the company recognises the lease payment as an operating expense on straight line basis over the term of lease.

Certain lease agreements include an option to extend or terminate the lease before the end of lease term. ROU assets and the lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., higher of fair

value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use assets if the company changes its assessment if whether it will exercise an extension or a termination of option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

2.7. Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL).

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Investments in subsidiaries

Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.8. Business combination

In accordance with Ind AS 103, Business combinations, the Company accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Company. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

2.9. Employee benefits

Short-term employee benefits

Liabilities for short-term employee 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 recognized 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.

Post-employment benefits Defined benefit plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit 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 benefits expense' in the Statement of Profit and Loss.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for Defined Benefit Plans as the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

Other employee benefits

The liabilities for earned leave are settled wholly within the financial year in which the employees render the related service.

2.10. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized 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.

Service Revenue

Service income is recognized as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and revenue excludes GST, wherever applicable.

2.11. Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. The foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income/other expenses.

2.12. Borrowing costs

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

Other borrowing costs are expensed in the period in which they are incurred.

2.13. Income Taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

2.14. Provision and Contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A disclosure for contingent liabilities is made 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.15. Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.16. Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash 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.

2.18. 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.

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 shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.19. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Contract Research and Manufacturing Services".

2.20. Estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected. 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.

The areas involving critical estimates or judgements are:

- **Leases**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

- **Employee benefits (estimation of defined benefit obligation)**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables**

The risk of collectability of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- **Estimation of expected useful lives of property, plant and equipment**

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

- **Contingencies**

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

- **Valuation of deferred tax assets**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair value measurements**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

3(a) Property, plant and equipment and Capital work-in-progress

Particulars	Land	Plant & equipment	Office Equipment	Furniture and fixtures	Vehicles	Computer and related equipment	Total
Gross carrying amount							
At 01 April 2022	-	0.50	41.96	2.19	2.50	3.71	51
Additions during the year	-	0.15	3.29	-	-	8.85	12
Disposals during the year	-	0.50	41.96	2.19	2.50	3.71	51
At 31 March 2023	-	0.15	3.29	-	-	8.85	12.29
Additions during the year	1,599.77	0.42	0.76	-	-	6.60	1,608
Disposals during the year	-	-	-	-	-	-	-
At 31 March 2024	1,599.77	0.57	4.05	-	-	15.45	1,619.84
Accumulated depreciation							
At 01 April 2022	-	0.33	40.89	0.47	2.50	3.62	48
Depreciation for the year	-	-	0.15	-	-	1.53	2
Disposals during the year	-	0.33	40.89	0.47	2.50	3.62	48
At 31 March 2023	-	-	0.15	-	-	1.53	1.68
Depreciation for the year	-	0.02	0.64	-	-	3.44	4
Adjustments during the year	-	0.02	(0.24)	-	-	-	(0.22)
At 31 March 2024	-	(0.00)	1.03	-	-	4.97	5.99
Net carrying amount							
31 March 2023	-	0.15	3.14	-	-	7.32	10.61
31 March 2024	1,599.77	0.57	3.02	-	-	10.49	1,613.85

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

3(b) Capital work-in-progress:

Particulars	As at	As at
	31 March 2024	31 March 2023
Projects in Progress	229.72	200.00
	229.72	200.00

Ageing for capital work-in-progress as at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	29.72	200.00	-	-	229.72
	29.72	200.00	-	-	229.72

Ageing for capital work-in-progress as at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	200.00	-	-	-	200.00
	200.00	-	-	-	200.00

3(c) Right of use assets and Lease liabilities

Particulars	Building
Gross carrying amount	
At 01 April 2022	-
Additions during the year	-
Disposals during the year	-
At 31 March 2023	-
Additions during the year	54.72
Disposals during the year	-
At 31 March 2024	54.72
Accumulated depreciation	
At 01 April 2022	-
Depreciation for the year	-
Disposals during the year	-
At 31 March 2023	-
Depreciation for the year	13.40
Disposals during the year	-
At 31 March 2024	13
Net carrying amount	
31 March 2023	-
31 March 2024	41.32

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	-
Additions during the year	51.95	-
Finance cost accrued during the period	6.23	-
Deletions	-	-
Payment of lease liabilities	(15.69)	-
Balance at the end of the year	42.49	-

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	14.71	-
Non-current lease liabilities	27.79	-
	42.49	-

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	16.47	-
One to five years	36.98	-
More than five years	-	-
	53.45	-

Amounts recognised in the statement of profit and loss

Particulars	As at 31 March 2024	As at 31 March 2023
Interest expenses on lease liabilities	6.23	-
Depreciation expenses on right of use-assets	13.40	-
	19.64	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

4 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current investments		
Investment in equity shares (Unquoted)		
Investment in subsidiaries		
36,73,308 (31 March 2023: NIL) Equity shares of Rs. 10 each in Adita Bio Sys Pvt Ltd	5,254.48	-
Other investments (partnership firm) (Unquoted)		
Investment in subsidiaries		
50.6% (31 March 2023: 25.5 %) in Anugraha Chemicals	5.06	-
	5,259.54	-
Aggregate value of unquoted investments	5,259.54	-
(b) Current investments		
Other investments (partnership firm) (Unquoted)		
Investment in Anugraha Chemicals - Partnership firm	-	327.04
	-	327.04

5 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Security deposits	1.00	8.50
Lease deposits	5.29	-
Other advances	488.88	-
	495.17	8.50

6 Deferred tax asset (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset/(liability) relates to the following:		
Provision for employee benefits	1.52	-
Carry forward tax loss and Unabsorbed depreciation	180.63	271.21
Property, plant and equipment	(0.52)	(0.46)
Others	202.82	-
	384.44	270.75

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Movement in the Deferred Tax Assets

Particulars	Provision for employee benefits	Carry forward tax loss and Unabsorbed depreciation	Property, plant and equipment	Others	Total
Opening balance as at April 1, 2022	-	31.93	2.70	-	34.62
Recognised in profit or loss	-	239.28	(3.15)	-	236.13
Recognised in OCI	-	-	-	-	-
Closing balance as at March 31, 2023	-	271.21	(0.46)	-	270.75
Opening balance as at April 1, 2023	-	271.21	(0.46)	-	270.75
Recognised in profit or loss	1.52	(90.58)	(0.06)	202.82	113.69
Recognised in OCI	-	-	-	-	-
Closing balance as at March 31, 2024	1.52	180.63	(0.52)	202.82	384.44

7 Other assets

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Preliminary and pre-operative to the extent not written off	-	12.06
Loans and advances	-	125.00
	-	137.06
(b) Current		
Balance with government authorities	31.03	6.53
Advances for services and supplies	23.93	13.67
Prepaid expenses	7.40	-
Other advances	144.81	-
	207.16	20.19

8 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Finished goods	22.93	-
	22.93	-

9 Trade Receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured Considered good	780.07	281.21
Less: Provision for bad and doubtful debts	(780.07)	(75.79)
Total Current Trade receivables	-	205.43

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Trade Receivables ageing schedule as at 31 March 2024:

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	780.07	780.07
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	-	-	-	-	780.07	780.07
Less: Allowance	-	-	-	-	780.07	780.07
Total Trade receivables	-	-	-	-	-	-

Trade Receivables ageing schedule as at 31 March 2023:

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	138.53	-	66.89	205.43
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	75.79	75.79
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	-	-	138.53	-	142.68	281.21
Less: Allowance	-	-	-	-	75.79	75.79
Total Trade receivables	-	-	138.53	-	66.89	205.43

10 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balance with Banks		
- in current accounts	45.51	1,275.10
Deposits with original maturity of less than 3 months	199.96	-
Cash on hand	0.46	0.31
	245.93	1,275.42

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

11 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
4,50,00,000 (31 March 2023: 3,00,00,000) equity shares of Rs 10 each	4,500.00	3,000.00
Issued, subscribed and fully paid-up		
3,52,67,812 (31 March 2023: 2,14,86,234) equity shares of Rs 10 each	3,526.78	2,148.62
Adjustment for calls in arrears	-	(4.24)
	3,526.78	2,144.38

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	2,14,43,819	2,144.38	1,03,11,234	1,031.12
Issued during the year	1,38,23,993	1,382.40	1,11,32,585	1,113.26
Balance at the end of the year	3,52,67,812	3,526.78	2,14,43,819	2,144.38

(ii) Details of shareholders holding more than 5% shares in the Company

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	% of holding	No. of Shares	% of holding
1	Shankarappa Nagaraja Vinaya Babu	52,00,000	14.74%	52,00,000	24.20%
2	Shreedhara Shetty	65,94,446	18.70%	46,50,000	21.64%
3	Gokaram Ramakrishna Balaji	31,95,815	9.06%	65,950	0.31%
4	Asian Hotels	27,22,258	7.72%	-	-
5	Sadhanala Venkata Rao	15,50,526	4.40%	15,44,995	7.19%
6	Narasandra Basavarajappa Pradeepkumar	11,25,000	3.19%	11,25,000	5.24%

(iii) Shares held by promoters

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	% of holding	No. of Shares	% of holding
1	Venkata Bhagi Rao Sadhanala	15,50,526	4.40%	15,88,526	7.39%
2	Padmaja Kalyani Sadhanala	1,89,146	0.54%	1,89,096	0.88%
3	Viswa Prasad Sadhanala	19,153	0.05%	96,400	0.45%
4	Pilli Meena Kumari	56,000	0.16%	56,000	0.26%
5	Rangoori Kantham	1,000	0.00%	1,000	0.00%
6	Peddi Anuradha	-	0.00%	56,000	0.26%
7	Sadhanalla Dara Kalyani	1,000	0.00%	1,000	0.00%
8	Abhilekha Jain	34,128	0.10%	34,128	0.16%

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	% of holding	No. of Shares	% of holding
9	Ghisulal Jain	36,070	0.10%	36,060	0.17%
10	Subhash B Lalwani	32,800	0.09%	32,800	0.15%
11	Veena Lalwani	15,645	0.04%	15,645	0.07%
12	Abhishek Jain	-	0.00%	-	0.00%
13	Prashant H. Dave	10,459	0.03%	10,459	0.05%
14	Surekha Prashant Dave	700	0.00%	700	0.00%
15	Kant Rao	7,300	0.02%	7,300	0.03%
16	Babulal Jain	-	0.00%	-	0.00%
17	Umadevi Babulal Jain	1,500	0.00%	5,452	0.03%
18	B. Venkatswamy	1,070	0.00%	1,070	0.00%
19	Suresh Kumar	-	0.00%	1,000	0.00%
20	Uttam P Jain	1,000	0.00%	1,000	0.00%
21	Dadi Urmila	25	0.00%	25	0.00%
22	Baghi Rao Pankaj Sadhanala Maharani Maheshwari	25	0.00%	25	0.00%
23	Sadhanala	25	0.00%	25	0.00%
24	B Venkata Swamy	5,000	0.01%	5,000	0.02%

12 Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Subsidy		
Balance at the beginning of the year	9.94	9.94
Add: Received during the year	-	-
Less: Utilised during the year	-	-
Balance at the end of the year	9.94	9.94
Securities premium		
Balance at the beginning of the year	1,042.40	63.65
Add: Received during the year	4,015.08	978.75
Less: Utilised during the year	-	-
Balance at the end of the year	5,057.48	1,042.40
Share application money pending allotment		
Balance at the beginning of the year	34.69	-
Add: Received during the year	104.06	34.69
Less: Allotted during the year	(138.75)	-
Balance at the end of the year	-	34.69

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Retained Earnings		
Balance at the beginning of the year	(988.88)	(233.32)
Add: Net profit for the year	(494.98)	(755.57)
Less: Calls in arrears adjusted during the year	(4.24)	-
Add: Other comprehensive income net of tax	-	-
Balance at the end of the year	(1,488.10)	(988.88)
Total Other Equity	3,579.31	98.15

13 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Unsecured		
Loan from related parties	1,250.00	-
	1,250.00	-

The loan, amounting to Rs. 1,250 lakhs was borrowed from the Subsidiary company Adita Bio Sys Private Limited. The loan is repayable after 5 years from the date of loan. The loan carries interest at the rate of 12% payable at the time of repayment of the loan.

14 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Payable to employees	33.12	12.69
Creditors for capital expenditure	3.21	-
Creditors for expenses	17.59	2.71
Audit fee payable	0.90	1.26
Interest on loan payable	21.82	-
	76.64	16.67

15 Trade Payables

Particulars	As at 31 March 2024	As at 31 March 2023
Due to MSMED	-	-
Due to other than MSMED		
- Due to others	-	188.31
	-	188.31

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act")		
(i) The principal amount and interest due thereon remaining unpaid to supplier as at the end of each accounting year		
- Principal amount	-	-
- Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 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 has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006		
	-	-
(iv) Interest accrued and remaining unpaid at the end of the year		
	-	-
(v) Interest remaining due and payable in succeeding years, in terms of Section 23 of the MSMED Act, 2006		
	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

(b) Aging schedule

31 March 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
	-	-	-	-	-
31 March 2023	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	188.31	-	-	188.31
	-	188.31	-	-	188.31

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

16 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Gratuity	5.81	-
	5.81	-
(b) Current		
Provision for employee benefits	0.45	-
Gratuity	0.03	-
	0.48	-

17 Other liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Statutory dues	12.42	2.78
Others	6.13	4.72
	18.55	7.49

18 Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	2.78	-
	2.78	-

19 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest	14.27	-
Interest on Lease deposit	0.57	-
Liabilities no longer required written back	64.61	-
Foreign exchange fluctuations, net	0.05	-
	79.50	-

20 Purchase of stock-in-trade

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchase of stock-in-trade	25.42	-
	25.42	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

21 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the beginning of the year		
Finished goods	-	88.76
	-	88.76
Inventories at the end of the year		
Finished goods	22.93	-
	22.93	-
	(22.93)	88.76

22 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	185.17	110.87
Contribution to provident and other funds	1.25	-
Gratuity	5.84	-
Staff welfare expenses	6.52	2.23
	198.78	113.10

23 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest	27.11	-
Interest on Lease Liability	6.23	-
	33.34	-

24 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Audit Fee	1.75	1.66
Professional & consultancy charges	70.63	18.80
Rates and taxes	27.04	14.27
Fee towards BSE, NSDL and CDSL services	22.59	14.07
Bank Charges	0.15	0.33
Communication expenses	0.48	0.81
Travelling and conveyance	12.47	4.54
Rent Expenses	0.75	17.50
Repairs and maintenance		
Others	4.39	1.62

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Selling expenses		
Business promotion expenses	-	0.02
Office maintenance expenses	6.63	5.81
Printing and stationery	1.42	1.59
Electricity charges	1.23	0.07
Publication charges	1.59	0.56
Provisions for Bad Debts	80.81	699.26
Share of loss in partnership firm	206.53	-
Miscellaneous expenses	0.18	6.30
	438.62	787.22

(a) Payments to the auditor

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As an auditor		
- Statutory audit	1.00	1.00
- Limited review	0.75	0.66
	1.75	1.66

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

25. Tax expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	-	-
Deferred tax	(113.69)	(235.20)
Tax expense charged to Statement of Profit and Loss	(113.69)	(235.20)
Reconciliation of tax expense		
Profit before tax	(608.67)	(990.76)
Tax expense at applicable tax rates 26% (March 31, 2023: 26%);	-	-
Adjustments:		
Deferred tax assets not recognized / (utilized)	(113.69)	(235.20)
Income tax expense	(113.69)	(235.20)

26. Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Earnings		
Profit for the year	(494.98)	(755.57)
Weighted average number of equity shares for basic EPS	2,27,18,464	1,28,96,166
Weighted average number of equity shares adjusted for the effect of dilution	2,27,18,464	1,28,96,166
Earnings per equity share		
Basic (in Rs.)	(2.18)	(5.86)
Diluted (in Rs.)	(2.18)	(5.86)

27. Fair value measurements

Particulars	As at 31 March 2024	As at 31 March 2023
Financial Assets		
Investments	5,259.54	327.04
Trade receivables	-	205.43
Cash and cash equivalents	245.93	1,275.42
Other financial assets	495.17	8.50
	6,000.64	1,816.38
Financial Liabilities		
Borrowings	1,250.00	-
Trade payables	-	188.31
Other financial liabilities	76.64	16.67
	1,326.64	204.97

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds investment in its subsidiaries.

The carrying amounts of trade receivables, trade payables and cash and bank balances are considered to be the same as their fair values, due to their short-term nature. The difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

28. Financial risk management objectives and policies

The possible risk to the Company is financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Company focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Company. The Company continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the Company affected by market risk include borrowings and deposits. The company does not hold any financial instruments which have market risk.

Price risk

The Company does not have any investments which are classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. Hence, the Company is not exposed to any price risk.

Credit risk

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

The Company has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in advance, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short-term deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carries a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

Liquidity risk

Liquidity risk is the risk that the Company will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

29. Related party disclosures

Names of related parties and nature of relationship

Name of the Related Parties	Nature of Relationship
Directors	
Mr. Venu Madhava K	Whole time Director
Mrs. Mini Manikantan	Whole time Director
Mr. P N Vijay	Independent Director
Mr. Methuku Nagesh	Independent Director
Mr. Mopperthy Sudheer	Independent Director
Mr. Sadhanala Venkata Rao	Non-Executive Director (Upto 29th August 2023)
Mrs. Sadhanala Padmaja Kalyani	Executive Director (Upto 21st May 2022)
Mr. Sadhanala Vishwa Prasad	Executive Director (Upto 9th July 2022)
Dr S N Vinaya Babu	Chairperson and Non-Executive Director
Key Management Personnel (KMP)	
Mr. Dr Prasad S	Chief Executive Officer
Mr. Balangadhara B C	Chief Financial Officer
Mr. Kaushik Kumar	Comapny Secretary
Mr. Chilam Srikanth	Chief Financial Officer (Upto 13th October 2022)
Ms. Annie Jodhani	Company Secretary (Upto 13th October 2022)
Subsidiaries	
Adita Bio Sys Private Limited (W.e.f. 02-03-2024)	
Anugraha Chemicals (w.e.f. 15-02-2024)	
Step down Subsidiaries	
Siri Labvivo Diet Private Limited (w.e.f. 02-03-2024)	
Spring Labs (w.e.f. 02-03-2024)	
Entities in which Chairperson, Directors or other relatives are interested	
Moki Financial Services	

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Details of transactions with related parties in the ordinary course of business

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Remuneration to Key Management Personnel (KMP)		
Venu Madhava Kaparthy	44.00	27.00
Mini Manikantan	29.00	16.65
Dr Prasad S	17.04	-
Balagangadhara B C	32.00	18.73
Kaushik Kumar	13.40	8.55
Chilam Srikanth	-	0.64
Annie Jodhani	-	2.00
Independent Directors' Remuneration		
P N Vijay	5.00	2.70
Methuku Nagesh	5.00	1.69
Unsecured Loan borrowed		
Adita Bio Sys Private Limited	1,250.00	-
Dr S N Vinaya Babu	125.00	-
Unsecured Loan repaid		
Dr S N Vinaya Babu	125.00	-
Purchase of Products		
Anugraha Chemicals	25.42	-
Supply of services		
Anugraha Chemicals	144.81	-
Advance for purchase		
Anugraha Chemicals	50.00	-
Interest income from capital in partnership firm		
Anugraha Chemicals	1.43	-
Interest expense on Unsecured Loans		
Adita Bio Sys Private Limited	24.25	-
Dr S N Vinaya Babu	2.86	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Balances payable/(receivable)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured Loan borrowed		
Adita BioSys Private Limited	1,250.00	-
Interest payable on Unsecured Loans		
Adita BioSys Private Limited	21.82	-
Advance for purchase		
Anugraha Chemicals	22.95	-
Dues receivable		
Anugraha Chemicals	130.33	-

30. Employee benefits

Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employers' Contribution to Provident Fund	1.25	-

Defined benefit plans

The Company provides for gratuity to employees as per the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age.

Amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	5.84	-
Past service cost	-	-
Loss/(gain) on curtailments and settlement	-	-
Net interest cost	-	-
Total amount recognized in the Statement Profit and Loss	5.84	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Changes in present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the beginning of the year	-	-
Current service cost	5.84	-
Interest Expense or Cost	-	-
Re-measurement (or Actuarial) (gain)/loss	-	-
Past service cost	-	-
Benefits paid	-	-
Present value of obligation at the end of the year	5.84	-

The assumptions used for gratuity valuation are as below:

Particulars	As at 31 March 2024
Discount Rate	7.20% p.a.
Expected Return on Plan Assets	Not Applicable
Salary Growth Rate	7.00% p.a.
Withdrawal Rates:	
Age 25 & Below	10 % p.a.
Age 25 to 35	8 % p.a.
Age 35 to 45	6 % p.a.
Age 45 to 55	4 % p.a.
Age 55 & above	2 % p.a.

Risk exposure

These defined benefit plans typically expose the Company to actuarial risks as under:

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company, there can be strain on the cashflows.

Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

31. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Contract Research and Manufacturing Services".

32. Capital management

The Company's policy is to maintain strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business.

The Company manages its Capital structure through a balanced mix of debt and equity. The Company's capital structure is influenced by the changes in the regulatory frameworks, government policies, available options of financing and impact of the same on liquidity position.

The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Equity Share Capital	3,526.78	2,144.38
Other Equity	3,579.31	98.15
Total Equity (A)	7,106	2,243
Long-term borrowings	1,250.00	-
Short-term borrowings	-	-
Less: Cash and Cash equivalents	(245.93)	(1,275.42)
Total Debt (B)	1,004	(1,275)
Overall financing (C = A+B)	8,110	967
Gearing ratio (B/C)	12.38%	NA

33. Ratios as per Schedule III requirements

Particulars	31 March 2024	31 March 2023	% Variance	Reason For Variance
Current Ratio	4.31	8.60	-50%	The current assets were high during the previous year which were used for purchase of fixed assets in the current year.
Debt-Equity Ratio	0.18	-	-	There was no debt during the previous year
Debt Service Coverage ratio	-0.45	-	-	There was no debt during the previous year
Inventory Turnover Ratio	0.11	-	-	There was no inventory and turnover during the previous year, as the company was focussing on building the assets.
Trade Payable Turnover Ratio	0.33	-	-	There was no inventory and turnover during the previous year, as the company was focussing on building the assets.
Net Profit Ratio	-17837%	-	-	The company is focussing on building the assets; hence the revenue was very nominal
Return on Equity Ratio	-10.59%	-33.69%	-69%	Increase in equity and the company incurred losses due to nominal revenue
Return on Investment Ratio	4.24%	0.00%	0%	No investments in the previous year
Trade Receivables Turnover Ratio	-	-	0%	
Net Capital Turnover Ratio	0.01	-	0%	
Return on Capital Employed	-0.07	-0.44	-84%	Increase in equity share capital during the year and the company incurred losses

Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Ratio	Formula
Current Ratio	Current Assets/Current Liabilities
Debt-Equity Ratio	Total debt/Total equity
Debt Service Coverage ratio	Earnings available for debt services (i.e., EBIT+Depreciation & Amortization)/Total interest and principal repayments
Inventory Turnover Ratio	Cost of materials consumed/Average inventory
Trade Payable Turnover Ratio	Total purchases/Average trade payables
Net Profit Ratio	Net profit after tax/Revenue from Operations
Return on Equity Ratio	Net profit after tax/Average Equity
Return on Investment Ratio	Interest Income/Average Investment in Fixed Deposits
Trade Receivables Turnover Ratio	Revenue from operations/Average trade receivables
Net Capital Turnover Ratio	Revenue from operations/Net Working capital (Net working capital = current assets - current liabilities)
Return on Capital Employed	Earnings before interest and taxes (EBIT)/Capital Employed

For PPKG & Co

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

For Pharmaids Pharmaceuticals Limited

Sd/-

Dr. S N Vinaya Babu

Chairman &

Non-Executive Director

DIN: 01373832

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Dr. S Prasad

Chief Executive Officer

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS OF
PHARMAIDS PHARMACEUTICALS LIMITED.
BENGALURU**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated Financial Statements of **PHARMAIDS PHARMACEUTICALS LIMITED** ("the Company"), which comprise the consolidated Balance sheet as at 31st March 2024, and the consolidated statement of profit and loss, and consolidated statement of cash flows for the period ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information [hereinafter referred to as "the Financial Statements"].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Profits, (*changes in equity*) and its cash flows for the period ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Key Audit Matters

Key Audit Matters are those matter that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements for the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and We have determined the matter described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our Audit addressed the key audit matter
<p>Carrying value of Investment in Subsidiary entity.</p> <p>The Company has increased its investment in its associate Anugraha chemicals from 25.64% to 50.60% which results in Subsidiary of the company.</p> <p>The carrying value of such investment as on the reporting date is Rs.5.06 lakhs towards Capital a/c and Rs. 488.88 lakhs (net) towards Current a/c.</p>	<p>Discussion with the management on the development during year ended March 31st, 2024</p> <p>Review of the disclosures made by the company in the financial statements in this regard.</p> <p>Obtain representation letter from the management on the assessment of these matters.</p>
<p>Carrying value of Investment in Subsidiary entity.</p> <p>The company has made investment in Adita Bio Sys Private Limited through share swap by issuing 1,28,56,578 equity share of the company. The company has acquired 99.86% and its carrying value as on reporting date is Rs. 5,254.48 lakhs</p>	<p>Discussion with the management on the development during year ended March 31st, 2024</p> <p>Review of the disclosures made by the company in the financial statements in this regard.</p> <p>Obtain representation letter from the management on the assessment of these matters.</p>

Management's Responsibility for the Consolidated Financial Statements

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

In preparing the Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Financial Statements.

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

- (a) Identify and assess the risks of material misstatement of the 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
- (b) 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
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- (d) 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 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.
- (e) 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 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.
- (f) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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 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.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) & Cash Flow statements dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) According to information and explanations given to us together with our audit examination, reporting with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls we give in Annexure B to the extent applicable.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for

which there were any material foreseeable losses.

- iii. There were no 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. No Dividend has been declared or paid during the year by the company, hence provisions of section 123 of the Companies Act, 2013, are not applicable
- vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For PPKG & Co

Chartered Accountants

Firm's Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

UDIN: 24205140BKALKQ6355

Place: Hyderabad

Date: 28-08-2024

**Annexure A to the Independent Auditor's Report on the Consolidated
Financial Statements of PHARMAIDS PHARMACEUTICALS LIMITED for the
year ended 31 March 2024**

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

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr.No	Name of entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Anugraha chemicals	Partnership firm	Subsidiary	3(xvii)
2.	Adita Bio Sys Private Limited	U85100KA2015PTC079003	Subsidiary	3(xvii)

For PPKG & Co

Chartered Accountants

Firm's Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

**Annexure – B to the Independent Auditor’s Report of even date to the
Members of M/s Pharmaids Pharmaceuticals Limited, on the Consolidated
Financial Statements for the Year ended March 31, 2024**

**Independent Auditor’s Report on the Internal Financial Controls under Clause (i) of Sub-
section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)**

Opinion

1. In conjunction with our Audit of the Consolidated Financial Statements of M/s Pharmaids Pharmaceuticals Limited (‘the Company’) as at and for the Year ended March 31, 2024, we have audited the Internal Financial Controls Over Financial Reporting (‘IFCoFR’) of the Company as at that date.
2. In our opinion, the Company has, in all material respects, adequate Internal Financial Controls over Financial Reporting and such controls were operating effectively as at March 31, 2024, based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of Internal Control as stated in the Guidance Note issued by the ICAI.

Management’s Responsibility for Internal Financial Controls

3. The Company’s Board of Directors 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, as stated in the Guidance Note on *Audit of Internal Financial Controls Over Financial Reporting* (‘the Guidance Note’) 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 the Company’s Business, including adherence to the Company’s Policies, the Safeguarding of its Assets, the prevention and detection of frauds and errors, the accuracy and completeness of the Accounting Records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

4. Our responsibility is to express an opinion on the Company’s IFCoFR based on our Audit. We conducted our Audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an Audit of the IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
5. Our Audit involves performing procedures to obtain Audit Evidence about the adequacy of the IFCoFR and their operating effectiveness. Our Audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the Internal Controls 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.
6. We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company’s IFCoFR.

Meaning of Internal Financial Controls Over Financial Reporting

7. A Company's IFCoFR 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 the Generally Accepted Accounting Principles. A Company's IFCoFR include those policies and procedures that
- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the Company.
 - (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of the Financial Statements in accordance with the 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
 - (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. Because of the Inherent Limitations of the IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the Policies or Procedures may deteriorate.

For PPKG & Co

Chartered Accountants

Firm's Registration No: 0096555

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Consolidated Balance Sheet

As at March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	2,834.03	10.61
Capital work-in-progress	3(b)	700.10	200.00
Right-of-use assets	3(c)	311.73	-
Other intangible assets	4	54.51	-
Goodwill on Business purchase		3,141.66	-
Financial assets			
(iii) Other financial assets	5	58.01	8.50
Deferred tax assets (net)	6	666.79	270.75
Other non-current assets	7(a)	14.04	137.06
Total non-current assets		7,780.87	626.92
Current assets			
Inventories	8	359.14	-
Financial assets			
(i) Investments	9	-	330.52
(ii) Trade receivables	10	267.87	205.43
(iii) Cash and cash equivalents	11	480.40	1,275.42
Other current assets	7(b)	245.79	20.19
Total current assets		1,353.20	1,831.55
TOTAL ASSETS		9,134.07	2,458.47
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	3,526.78	2,144.38
Other equity	13	3,677.91	101.63
Equity attributable to the owners of the Company		7,204.69	2,246.01
Non-controlling Interest		(155.03)	-
Total equity		7,049.67	2,246.01
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14(a)	358.54	-
(i) Lease liabilities	3(c)	246.75	-
(iv) Other financial liabilities	15(a)	260.00	-
Provisions	16(a)	61.54	-
Total non-current liabilities		926.83	-

Consolidated Balance Sheet

As at March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)			
Particulars	Note	As at 31 March 2024	As at 31 March 2023
Current liabilities			
Financial liabilities			
(i) Borrowings	14(b)	176.70	-
(ii) Lease liabilities	3(c)	71.29	-
(iii) Trade payables			
total outstanding dues of micro and small enterprises	17	405.41	-
total outstanding dues of creditors other than micro and small enterprises	17	106.42	188.31
(iv) Other financial liabilities	15(b)	339.94	16.67
Provisions	16(b)	7.61	-
Other current liabilities	18	50.21	7.49
Total Current Liabilities		1,157.58	212.47
TOTAL EQUITY AND LIABILITIES		9,134.07	2,458.47

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For PPKG & Co

For Pharmaids Pharmaceuticals Limited

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Sd/-

Dr. S N Vinaya Babu

Chairman &

Non-Executive Director

DIN: 01373832

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Dr. S Prasad

Chief Executive Officer

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	19	1,511.21	-
Other income	20	87.82	-
Total income		1,599.03	-
Expenses			
Cost of materials consumed	21	1,026.66	-
Purchase of stock-in-trade	22	4.40	-
Changes in inventories of finished goods and work-in-progress	23	116.23	88.76
Employee benefits expense	24	919.61	113.10
Finance costs	25	156.83	-
Depreciation and amortisation expense	3	172.49	1.68
Other expenses	26	764.94	787.22
Total expenses		3,161.06	990.76
Profit before tax and exceptional items		(1,562.14)	(990.76)
Exceptional items		-	-
Profit before tax		(1,562.14)	(990.76)
Tax expense			
Current tax		-	-
Deferred tax		(377.82)	(235.20)
Total Tax Expense		(377.82)	(235.20)
Profit for the year		(1,184.31)	(755.57)
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans and equity instruments		(46.51)	3.48
Income tax effect		14.51	-
(ii) Items that will be reclassified subsequently to profit or loss			
Effective portion of gains/(losses) on hedging instrument in cash flow hedges		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of taxes		(32.00)	3.48
Total comprehensive income for the year		(1,216.31)	(752.09)
Profit attributable to:			
Equity holders of the Holding company		(796.80)	(755.57)
Non-controlling interest		(387.51)	-
Profit for the year		(1,184.31)	(755.57)

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Other comprehensive income attributable to:			
Equity holders of the Holding company		(11.96)	3.48
Non-controlling interest		(20.04)	-
Other comprehensive income for the year		(32.00)	3.48
Total comprehensive income attributable to:			
Equity holders of the Holding company		(808.75)	(752.09)
Non-controlling interest		(407.55)	-
Total comprehensive income for the year		(1,216.31)	(752.09)
Earnings per equity share			
Basic (in Rs)		(3.56)	(5.86)
Diluted (in Rs)		(3.56)	(5.86)

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For PPKG & Co

For Pharmaids Pharmaceuticals Limited

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Sd/-

Dr. S N Vinaya Babu

Chairman &

Non-Executive Director

DIN: 01373832

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Dr. S Prasad

Chief Executive Officer

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

(A) Equity share capital

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Amount
Balance as at April 1, 2022	1,031.12
Changes during the year	1,113
Balance as at March 31, 2023	2,144.38
Changes during the year	1,382
Balance as at March 31, 2024	3,526.78

(B) Other Equity

Particulars	Reserves and Surplus					Total
	Capital subsidy	Securities Premium	Share application money pending allotment	Retained Earnings	Other comprehensive income	
Balance as at April 1, 2022	9.94	63.65	-	(233.32)	-	(159.72)
Profit for the year	-	-	-	(755.57)	3.48	(752.09)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(755.57)	3.48	(752.09)
Transactions recorded directly in equity						
Issue of shares	-	978.75	-	-	-	978.75
Receipt of share application money	-	-	34.69	-	-	34.69
Balance as at March 31, 2023	9.94	1,042.40	34.69	(988.88)	3.48	101.63
Profit for the year	-	-	-	(796.80)	-	(796.80)
Other comprehensive income, net of tax	-	-	-	-	(11.96)	(11.96)

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

(B) Other Equity (Continued...)

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Reserves and Surplus					Total
	Capital subsidy	Securities Premium	Share application money pending allotment	Retained Earnings	Other comprehensive income	
Transactions recorded directly in equity						
Issue of shares	-	4,015.08	-	-	-	4,015.08
Receipt of share application money	-	-	104.06	-	-	104.06
Allotment of shares	-	-	(138.75)	(4.24)	-	(142.99)
Reserve created in subsidiary	-	-	-	136.41	-	136.41
Adjustment on acquisition of subsidiaries	-	-	-	260.52	11.96	272.48
Balance as at March 31, 2024	9.94	5,057.48	-	(1,392.98)	3.48	3,677.91

As per our report of even date attached

For PPKG & Co

For Pharmeds Pharmaceuticals Limited

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Sd/-

Dr. S N Vinaya Babu

Chairman & Non-Executive Director

DIN: 01373832

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Sd/-

Dr. S Prasad

Chief Executive Officer

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Net Profit Before Tax	(1,562.14)	(990.76)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation	172.49	1.68
Interest income	(21.55)	-
Finance Cost	156.83	-
Liabilities written back	(64.61)	-
(Gain)/ Loss on sale of fixed asset	2.02	3.06
Provision for bad debts	80.81	-
Property Plant and Equipment and other assets written-off	62.29	-
<i>Adjustments for changes in working capital:</i>		
(Increase)/decrease in inventories	71.64	88.76
(Increase)/decrease in trade receivables	235.68	70.06
(Increase)/decrease in other current assets	(252.09)	456.87
Increase/(decrease) in trade payables	(124.02)	(42.27)
Increase/(decrease) in other financial liabilities	534.17	16.67
Increase/(decrease) in other provisions	63.58	-
Increase/(decrease) in other current liabilities	(417.07)	(6.00)
Cash generated from/(used in) operations	(1,061.96)	(401.93)
Income tax paid	-	-
Net cash flows generated from/(used in) operating activities (A)	(1,061.96)	(401.93)
Cash flows from investing activities		
Purchase of property, plant and equipment incl. CWIP	(2,286.25)	(167.29)
Sale of property, plant and equipment	14.65	-
Interest on bank deposits	20.83	-
Purchase of Siri Industries through Slump Sale	(75.02)	-
Payment to shareholders towards acquisition of equity shares in subsidiary	(5,173.25)	-
Investment in partnership firm	-	(327.04)
Net cash flow generated from/(used in) investing activities (B)	(7,499.04)	(494.33)
Cash flow from Financing activities		
Proceeds from/(Repayment of) borrowing	153.00	-
Proceeds from/ (Repayment of) borrowing	(179.55)	-
Proceeds from issue of equity shares	7,801.16	2,096.25
Proceeds from share application money	-	34.69
Proceeds from Issue of preference share capital	300.00	-
Proceeds from partners' capital in subsidiary	0.10	-
Repayment of partners' capital in subsidiary	(119.04)	-
Interest on loan	(123.67)	-
Repayment of lease liabilities	(66.01)	-
Net cash flow generated from/ (used in) financing activities (C)	7,765.98	2,130.94

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

(Amount in Rs. lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net increase in cash and cash equivalents (A+B+C)	(795.02)	1,234.67
Cash and cash equivalents at the beginning of the year	1,275.42	40.74
Cash and cash equivalents at the end of the year	480.40	1,275.42
Cash and cash equivalents comprise		
Balances with banks in current & deposit accounts	171.55	1,275.10
Deposits with original maturity of less than 3 months	306.71	-
Cash on hand	2.15	0.31
Total cash and cash equivalents	480.40	1,275.42

As per our report of even date attached

For PPKG & Co

For Pharmaids Pharmaceuticals Limited

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

Sd/-

Dr. S N Vinaya Babu

Chairman &

Non-Executive Director

DIN: 01373832

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Dr. S Prasad

Chief Executive Officer

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

1. General Information

Pharmaids Pharmaceuticals Limited (“the Company” or “the Holding Company”) is a public limited company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 2013. The registered office of the company is located at Unit 201, 2nd Floor, Brigade Rubix, 20/14, HMT Factory Main Road, Peenya Plantation, Bangalore, Karnataka. The Company is engaged in the business of contract research and manufacturing services. These consolidated financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 28th August 2024.

2. Significant accounting policies

2.1. Basis of Preparation of Consolidated Financial Statements

a) Statement of compliance

The consolidated financial statements of the company along with its subsidiaries (together referred to as “Group”) have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group’s annual reporting date, March 31, 2024. These financial statements were authorised for issuance by the Board of Directors on 28th August 2024.

b) Basis of Consolidation

The company consolidates all entities which are controlled by it. The company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity’s returns by using its power over relevant activities of the entity. Entities controlled by the company are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation. Changes in the company’s interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the company’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the company.

Interest in the subsidiary

Subsidiary name	% of holding
Adita Bio Sys Private Limited	99.86%
Anugraha Chemicals, partnership firm	50.60%

c) Basis of measurement

The consolidated financial statements have been prepared on historical cost convention and on accrual basis, except for the following items in the balance sheet:

- i. Certain financial assets and liabilities measured either at fair value or at amortised cost depending on the classification.
- ii. Defined employee benefit liabilities are recognised at the present value of defined benefit obligation adjusted for fair value of plan assets.

d) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

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

An asset is classified 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.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Current assets/liabilities include the current portion of non-current assets/liabilities respectively. All other assets/liabilities including deferred tax assets and liabilities are classified as non-current.

e) Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management of the Group to make judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period.

f) Fair value measurement

The Group's accounting policies and disclosures require the measurement of fair values, for certain financial and non-financial assets and liabilities based on their classification.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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

2.2. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price, freight, non-refundable taxes and duties, specified foreign exchange gains or losses and any other cost attributable to bring the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress' and hence not depreciated.

Depreciation method, estimated useful lives and residual values

The classification of Plant and equipment into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.

Depreciation on property, plant and equipment is provided on the Straight-Line Method (SLM) method, computed on the basis of useful lives as estimated by management which coincides with rates prescribed in Schedule II to the Companies Act, 2013.

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

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized 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 other income/other expenses when the asset is derecognized.

2.3. Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Group estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

2.4. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, other economic factors etc. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Subsequent expenditure

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

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period, with the effect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset.

2.5. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.6. Leases (as a lessee)

The Group assesses whether a contract contains a lease, at the inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assesses whether a contract conveys the right to control use of an identified asset, the Group assesses whether:

- The contract involves use of an identified asset;
- The Group has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Group has the right to direct the use of an asset.

At the date of commencement of lease, the Group recognises a Right-of-use assets ("ROU") and a corresponding liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (short term leases) and low value leases. For short term and low value leases, the Group recognises the lease payment as an operating expense on straight line basis over the term of lease.

Certain lease agreements include an option to extend or terminate the lease before the end of lease term. ROU assets and the lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., higher of fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of- use assets if the Group changes its assessment if whether it will exercise an extension or a termination of option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

2.7. Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus,

for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL).

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the 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.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.8. Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise, the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

2.9. Employee benefits

Short-term employee benefits

Liabilities for short-term employee 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 recognized 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.

Post-employment benefits Defined benefit plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit 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 benefits expense' in the Statement of Profit and Loss.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. These are included in retained earnings in the Statement of Changes in Equity.

The Group has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized in the balance sheet for Defined Benefit Plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

Other long-term employee benefits

The liabilities for earned leave are settled wholly within the financial year in which the employees render the related service.

2.10. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from the sale of goods is recognized 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.

Service Revenue

Service income is recognized as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and revenue excludes GST, wherever applicable.

2.11. Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. The foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income/other expenses.

2.12. Borrowing costs

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

Other borrowing costs are expensed in the period in which they are incurred.

2.13. Income Taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

2.14. Provision and Contingencies

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

2.15. Dividend Distributions

The Group recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.16. Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.17. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash 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.

2.18. Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year.

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 shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.19. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Group has only one reportable segment namely "Contract Research and Manufacturing Services".

2.20. Estimates and assumptions

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected. 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 consolidated financial statements.

The areas involving critical estimates or judgements are:

- **Leases**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

- **Employee benefits (estimation of defined benefit obligation)**

Post-employment benefits represent obligations that will be settled in the future and require assumptions to project benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of future benefit costs over the employee's approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables**

The risk of collectability of trade receivables is primarily estimated based on prior experience with, and the past due status of, doubtful debtors, based on factors that include ability to pay, bankruptcy and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- **Estimation of expected useful lives of property, plant and equipment**

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

- **Contingencies**

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Group often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Group consults with legal counsel and other experts on matters related to litigations. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

- **Valuation of deferred tax assets**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair value measurements**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

3(a) Property, plant and equipment and Capital work-in-progress

Particulars	Land	Buildings	Plant & equipment	Lab equipment	Office Equipment	Furniture and fittings	Vehicles	Computer and related equipment	Improvements on lease hold building	Electrical Installations and Equipment	Total
Gross carrying amount											
At 01 April 2022	93.66	67.67	198.99	11.16	43.50	8.96	11.35	9.42	57.71	5.04	507.46
Additions during the year	-	-	33.64	-	3.29	0.92	15.53	14.06	-	-	67.44
Disposals during the year	-	-	0.50	-	41.96	2.19	2.50	3.71	-	-	50.86
At 31 March 2023	93.66	67.67	232.13	11.16	4.82	7.68	24.38	19.78	57.71	5.04	524.04
Additions during the year	1,688.49	-	416.80	95.49	1.70	317.54	-	27.22	-	0.57	2,547.81
Disposals during the year	-	0.16	0.52	-	1.53	4.99	5.53	0.72	-	5.04	18.50
At 31 March 2024	1,782.15	67.51	648.41	106.65	4.99	320.23	18.86	46.28	57.71	0.57	3,053.35
Accumulated depreciation											
At 01 April 2022	-	-	10.20	3.16	40.89	1.18	3.24	5.55	34.11	-	98.34
Depreciation for the year	-	6.73	35.79	1.06	0.38	0.68	1.17	3.87	6.09	0.76	56.53
Disposals during the year	-	-	0.33	-	40.89	0.47	2.50	3.62	-	-	47.80
At 31 March 2023	-	6.73	45.66	4.22	0.38	1.40	1.91	5.81	40.21	0.76	107.07
Depreciation for the year	-	6.41	61.89	4.08	0.71	24.60	2.50	9.14	6.09	0.01	115.43
Adjustments during the year	-	0.02	0.10	-	-0.01	0.50	1.53	0.29	-	0.76	3.18
At 31 March 2024	-	13.12	107.46	8.30	1.10	25.50	2.88	14.66	46.30	0.01	219.32
Net carrying amount											
31 March 2023	93.66	60.95	186.47	6.94	4.44	6.29	22.47	13.97	17.50	4.28	416.97
31 March 2024	1,782.15	54.39	540.95	98.36	3.89	294.73	15.97	31.62	11.41	0.56	2,834.03

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

3(b) Capital work-in-progress:

Particulars	As at	As at
	31 March 2024	31 March 2023
Projects in Progress	700.10	781.95
	700.10	781.95

Ageing for capital work-in-progress as at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	342.18	357.91	-	-	700.10
	342.18	357.91	-	-	700.10

Ageing for capital work-in-progress as at March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	351.43	294.30	61.02	75.18	781.95
	351.43	294.30	61.02	75.18	781.95

3(c) Right of use assets and Lease liabilities

Particulars	Building
Gross carrying amount	
At 01 April 2022	-
Additions during the year	-
Disposals during the year	-
At 31 March 2023	-
Additions during the year	370.47
Disposals during the year	-
At 31 March 2024	370.47
Accumulated depreciation	
At 01 April 2022	-
Depreciation for the year	-
Disposals during the year	-
At 31 March 2023	-
Depreciation for the year	58.73
Disposals during the year	-
At 31 March 2024	58.73
Net carrying amount	
31 March 2023	-
31 March 2024	311.73

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	-
Additions during the year	342.50	-
Finance cost accrued during the period	41.10	-
Deletions	-	-
Payment of lease liabilities	(65.56)	-
Balance at the end of the year	318.04	-

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	71.29	-
Non-current lease liabilities	246.75	-
	318.04	-

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	79.84	-
One to five years	252.68	-
More than five years	355.32	-
	687.85	-

Amounts recognised in the statement of profit and loss

Particulars	As at 31 March 2024	As at 31 March 2023
Interest expenses on lease liabilities	41.10	-
Depreciation expenses on right of use-assets	58.73	-
	99.83	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

4 Other intangible assets

Particulars	Product development	Total
Gross carrying amount		
At 01 April 2022	-	-
Additions during the year	-	-
Disposals during the year	-	-
At 31 March 2023	-	-
Additions during the year	54.51	54.51
Disposals during the year	-	-
At 31 March 2024	54.51	54.51
Accumulated depreciation		
At 01 April 2022	-	-
Depreciation for the year	-	-
Disposals during the year	-	-
At 31 March 2023	-	-
Depreciation for the year	-	-
Disposals during the year	-	-
At 31 March 2024	-	-
Net carrying amount		
31 March 2023	-	-
31 March 2024	54.51	54.51

5 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Security deposits	32.10	8.50
Lease deposits	25.91	-
	58.01	8.50

6 Deferred tax asset (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset/(liability) relates to the following:		
Provision for employee benefits	(17.17)	(0.46)
Carry forward tax loss and Unabsorbed depreciation	484.55	3.72
Property, plant and equipment	(3.41)	267.49
Others	202.82	-
	666.79	270.75

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Movement in the Deferred Tax Assets

Particulars	Provision for employee benefits	Carry forward tax loss and Unabsorbed depreciation	Property, plant and equipment	Others	Total
Opening balance as at April 1, 2022	-	31.93	2.70	-	34.62
Recognised in profit or loss	-	239.28	(3.15)	-	236.13
Recognised in OCI	-	-	-	-	-
Closing balance as at March 31, 2023	-	271.21	(0.46)	-	270.75
Opening balance as at April 1, 2023	-	271.21	(0.46)	-	270.75
Consolidation adjustment	-	-	3.70	-	3.70
Recognised in profit or loss	(17.17)	213.34	(6.65)	202.82	392.33
Recognised in OCI	-	-	-	-	-
Closing balance as at March 31, 2024	(17.17)	484.55	(3.41)	202.82	666.79

7 Other assets

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Capital advances	14.04	-
Preliminary and pre-operative to the extent not written off	-	12.06
Loans and advances	-	125.00
	14.04	137.06
(b) Current		
Balance with government authorities	207.22	6.53
Advances for services and supplies	1.45	13.67
Prepaid expenses	15.66	-
Employee advances	1.98	-
Other advances	19.48	-
	245.79	20.19

8 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	329.44	-
Finished goods	29.70	-
	359.14	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

9 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Current investments		
Investment in Anugraha Chemicals - Partnership firm	-	330.52
	-	330.52

10 Trade Receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured Considered good	1,047.94	281.21
Less: Provision for bad and doubtful debts	(780.07)	(75.79)
Total Current Trade receivables	267.87	205.43

Trade Receivables ageing schedule as at 31 March 2024:

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	215.67	4.62	36.84	3.22	7.52	267.87
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	780.07	780.07
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	215.67	4.62	36.84	3.22	787.59	1,047.94
Less: Allowance	-	-	-	-	780.07	780.07
Total Trade receivables	215.67	4.62	36.84	3.22	7.52	267.87

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Trade Receivables ageing schedule as at 31 March 2023:

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	138.53	-	66.89	205.43
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	75.79	75.79
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	-	-	138.53	-	142.68	281.21
Less: Allowance	-	-	-	-	75.79	75.79
Total Trade receivables	-	-	138.53	-	66.89	205.43

11 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balance with Banks		
- in current accounts	171.55	1,275.10
Deposits with original maturity of less than 3 months	306.71	-
Cash on hand	2.15	0.31
	480.40	1,275.42

12 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
4,50,00,000 (31 March 2023: 3,00,00,000) equity shares of Rs 10 each	4,500.00	3,000.00
Issued, subscribed and fully paid-up		
3,52,67,812 (31 March 2023: 2,14,86,234) equity shares of Rs 10 each	3,526.78	2,148.62
Adjustment for calls in arrears	-	(4.24)
	3,526.78	2,144.38

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	2,14,43,819	2,144.38	1,03,11,234	1,031.12
Issued during the year	1,38,23,993	1,382.40	1,11,32,585	1,113.26
Balance at the end of the year	3,52,67,812	3,526.78	2,14,43,819	2,144.38

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

(ii) Details of shareholders holding more than 5% shares in the Company

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	% of holding	No. of Shares	% of holding
1	Shankarappa Nagaraja Vinaya Babu	52,00,000	14.74%	52,00,000	24.20%
2	Shreedhara Shetty	65,94,446	18.70%	46,50,000	21.64%
3	Gokaram Ramakrishna Balaji	31,95,815	9.06%	65,950	0.31%
4	Asian Hotels	27,22,258	7.72%	-	-
5	Sadhanala Venkata Rao	15,50,526	4.40%	15,44,995	7.19%
6	Narasandra Basavarajappa Pradeepkumar	11,25,000	3.19%	11,25,000	5.24%

(iii) Shares held by promoters

S.No.	Particulars	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	% of holding	No. of Shares	% of holding
1	Venkata Bhagi Rao Sadhanala	15,50,526	4.40%	15,88,526	7.39%
2	Padmaja Kalyani Sadhanala	1,89,146	0.54%	1,89,096	0.88%
3	Viswa Prasad Sadhanala	19,153	0.05%	96,400	0.45%
4	Pilli Meena Kumari	56,000	0.16%	56,000	0.26%
5	Rangoori Kantham	1,000	0.00%	1,000	0.00%
6	Peddi Anuradha	-	0.00%	56,000	0.26%
7	Sadhanalla Dara Kalyani	1,000	0.00%	1,000	0.00%
8	Abhilekha Jain	34,128	0.10%	34,128	0.16%
9	Ghisulal Jain	36,070	0.10%	36,060	0.17%
10	Subhash B Lalwani	32,800	0.09%	32,800	0.15%
11	Veena Lalwani	15,645	0.04%	15,645	0.07%
12	Abhishek Jain	-	0.00%	-	0.00%
13	Prashant H. Dave	10,459	0.03%	10,459	0.05%
14	Surekha Prashant Dave	700	0.00%	700	0.00%
15	Kant Rao	7,300	0.02%	7,300	0.03%
16	Babulal Jain	-	0.00%	-	0.00%
17	Umadevi Babulal Jain	1,500	0.00%	5,452	0.03%
18	B. Venkatswamy	1,070	0.00%	1,070	0.00%
19	Suresh Kumar	-	0.00%	1,000	0.00%
20	Uttam P Jain	1,000	0.00%	1,000	0.00%
21	Dadi Urmila	25	0.00%	25	0.00%
22	Baghi Rao Pankaj Sadhanala	25	0.00%	25	0.00%
23	Maharani Maheshwari Sadhanala	25	0.00%	25	0.00%
24	B Venkata Swamy	5,000	0.01%	5,000	0.02%

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

13 Other Equity

Particulars	As at 31 March 2024	As at 31 March 2023
Capital subsidy		
Balance at the beginning of the year	9.94	9.94
Add: Received during the year	-	-
Less: Utilised during the year	-	-
Balance at the end of the year	9.94	9.94
Securities premium		
Balance at the beginning of the year	1,042.40	63.65
Add: Received during the year	4,015.08	978.75
Less: Utilised during the year	-	-
Balance at the end of the year	5,057.48	1,042.40
Share application money pending allotment		
Balance at the beginning of the year	34.69	-
Add: Received during the year	104.06	34.69
Less: Allotted during the year	(138.75)	-
Balance at the end of the year	-	34.69
Retained Earnings		
Balance at the beginning of the year	(988.88)	(233.32)
Add: Net profit for the year	(399.86)	(755.57)
Less: Calls in arrears adjusted during the year	(4.24)	-
Add: Other comprehensive income net of tax	-	-
Balance at the end of the year	(1,392.98)	(988.88)
Other comprehensive income		
Balance at the beginning of the year	3.48	-
Add: Other comprehensive income net of tax during the year	-	3.48
Balance at the end of the year	3.48	3.48
Total Other Equity	3,677.91	101.63

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

14 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Unsecured		
Term loans from bank	358.54	-
	358.54	-
(b) Current		
Working capital loans from bank	115.31	-
Current maturities of long-term borrowings		
Secured		
-Term loan from bank	59.05	-
-Vehicle loan from bank	2.34	-
	176.70	-

The working capital loan, term loan and vehicle loan from State Bank of India belongs to the subsidiaries

15 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Non-convertible redeemable preference shares	260.00	-
	260.00	-
Current		
Payable to employees	88.25	12.69
Creditors for capital expenditure	113.14	-
Creditors for expenses	90.26	2.71
Audit fee payable	2.79	1.26
Non-convertible redeemable preference shares	40.00	-
Others	5.50	-
	339.94	16.67

The subsidiary company has taken advance of Rs. 300 lakhs from customer during the year 2022-23, later the advance was converted into 3,00,000 Non-convertible redeemable preference shares of Rs. 100/- each. The preference shares are redeemable at an annualised premium of 13%. 40,000 shares are redeemed every year starting 1st October, 2024 and the remaining 1,40,000 shares will be redeemed in the 5th year, ie., on 1st October, 2028.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

16 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Gratuity	61.54	-
	61.54	-
(b) Current		
Provision for employee benefits	1.63	-
Gratuity	5.98	-
	7.61	-

17 Trade Payables

Particulars	As at 31 March 2024	As at 31 March 2023
Due to MSMED	405.41	-
Due to other than MSMED		
- Due to others	106.42	188.31
	511.83	188.31

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act")		
(i) The principal amount and interest due thereon remaining unpaid to supplier as at the end of each accounting year		
- Principal amount	405.41	-
- Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 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 has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(iv) Interest accrued and remaining unpaid at the end of the year	-	-
(v) Interest remaining due and payable in succeeding years, in terms of Section 23 of the MSMED Act, 2006	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

(b) Aging schedule

31 March 2024	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	384.98	14.82	1.46	-	401.26
Total outstanding dues of creditors other than micro enterprises and small enterprises	65.26	37.05	8.26	-	110.57
	450.24	51.88	9.72	-	511.83

31 March 2023	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	188.31	-	-	188.31
	-	188.31	-	-	188.31

18 Other liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Advances for services and supplies	5.48	-
Statutory dues	38.59	2.78
Others	6.14	4.72
	50.21	7.49

19 Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	1,426.11	-
Sale of services	33.60	-
Other operating revenues		
Renting of cages	2.23	-
Sale of bedding materials	0.05	-
Sale of animal feeds	0.13	-
Job work	49.10	-
	1,511.21	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

20 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest	18.77	-
Interest on Lease deposit	2.78	-
Liabilities no longer required written back	64.61	-
Export Benefits	1.60	-
Foreign exchange fluctuations, net	0.05	-
	87.82	-

21 Cost of materials consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Inventory at the beginning of the year	114.14	-
Add : Stock received from Business transfer (Slump Sale)	8.75	-
Add : Purchases	1,071.25	-
Less: Inventory at the end of the year	(167.48)	-
	1,026.66	-

22 Purchase of stock-in-trade

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchase of stock-in-trade	4.40	-
	4.40	-

23 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the beginning of the year		
Finished goods	262.46	88.76
Work-in-progress	45.43	-
Stock-in-trade	-	-
	307.89	88.76
Inventories at the end of the year		
Finished goods	124.98	-
Work-in-progress	64.03	-
Stock-in-trade	2.66	-
	191.66	-
	116.23	88.76

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

24 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	841.41	110.87
Contribution to provident and other funds	22.27	-
Gratuity	21.01	-
Staff welfare expenses	34.93	2.23
	919.61	113.10

25 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest	113.14	-
Interest on Lease Liability	41.10	-
Other borrowing cost	2.59	-
	156.83	-

26 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Direct expenses		
Power and Fuel charges	98.26	-
Lab maintenance expenses	0.59	-
Animal maintenance expenses	1.89	-
Freight charges	8.03	-
Labour charges	4.62	-
Water charges	4.19	-
Purchase of wood	17.03	-
Purchase of Packing Bags	0.93	-
Testing Charges	0.18	-
Lab analysis expenses	6.93	-
Indirect expenses		
Audit Fee	6.70	1.66
Professional & consultancy charges	119.83	18.80
Insurance	4.12	-
Rates and taxes	55.80	14.27
Fee towards BSE, NSDL and CDSL services	22.59	14.07
Bank Charges	0.93	0.33
Communication expenses	6.13	0.81
Commission paid	6.54	-
Clearing and forwarding services	17.84	-
Membership and delegation fee	0.61	-
Travelling and conveyance	19.94	4.54

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Rent Expenses	48.99	17.50
Repairs and maintenance		
Building	2.89	-
Plant & Machinery	48.17	-
Others	26.27	1.62
Selling expenses		
Freight charges	0.90	-
Business promotion expenses	1.52	0.02
Office maintenance expenses	26.47	5.81
Printing and stationery	7.01	1.59
Loss on sale of fixed assets	2.02	-
Electricity charges	1.47	0.07
Effluent treatment charges	24.97	-
Publication charges	1.59	0.56
Provisions for Bad Debts	80.81	699.26
Property Plant and Equipment written-off	13.10	-
Preliminary expenses written off	66.69	-
Receivables written off	0.51	-
Investment written off	3.20	-
Foreign exchange fluctuations, net	4.52	-
Miscellaneous expenses	0.18	6.30
	764.94	787.22

(a) Payments to the auditor

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As an auditor		
- Statutory audit	5.95	1.00
- Limited review	0.75	0.66
	6.70	1.66

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

27. Tax expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	-	-
Deferred tax	(377.82)	(235.20)
Tax expense charged to Statement of Profit and Loss	(377.82)	(235.20)
Reconciliation of tax expense		
Profit before tax	(1,562.14)	(990.76)
Tax expense at applicable tax rates 26% (March 31, 2023: 26%;)	-	-
Adjustments:		
Deferred tax assets not recognized / (utilized)	(377.82)	(235.20)
Income tax expense	(377.82)	(235.20)

28. Earnings per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Earnings		
Profit for the year	(808.75)	(752.09)
Weighted average number of equity shares for basic EPS	2,27,18,464	1,28,96,166
Weighted average number of equity shares adjusted for the effect of dilution	2,27,18,464	1,28,96,166
Earnings per equity share		
Basic (in Rs.)	(3.56)	(5.83)
Diluted (in Rs.)	(3.56)	(5.83)

29. Fair value measurements

Particulars	As at 31 March 2024	As at 31 March 2023
Financial Assets		
Investments	-	330.52
Trade receivables	267.87	205.43
Cash and cash equivalents	480.40	1,275.42
Other financial assets	58.01	8.50
	806.28	1,819.86
Financial Liabilities		
Borrowings	535.24	-
Trade payables	511.83	188.31
Other financial liabilities	599.94	16.67
	1,647.01	204.97

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

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

The carrying amounts of trade receivables, trade payables and cash and bank balances are considered to be the same as their fair values, due to their short-term nature. The difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

30. Financial risk management objectives and policies

The possible risk to the Group is financial risk such as Market Risk (Interest Rate Risk, fluctuation in foreign exchange rates and price risk), credit risk and liquidity risk. The general risk management program of the Group focuses on the unpredictability of the financial markets and attempts to minimize their potential negative influence on the financial performance of the Group. The Group continuously reviews its risk exposures and takes measures to limit it to acceptable levels. The Board of Directors have the overall responsibility for the establishment and oversight of the Group's risk management framework.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, foreign currency risk and other price risk. Financial instruments of the Group affected by market risk include borrowings and deposits. The Group does not hold any financial instruments which have market risk.

Price risk

The Group does not have any investments which are classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. Hence, the Group is not exposed to any price risk.

Credit risk

Credit risk is the risk arising from credit exposure to customers and the counterparty will default on its contractual obligations.

The Group has adopted a policy of only dealing with creditworthy customers/ corporates to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Advance payments are obtained from customers in banquets, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of trade and other receivables, advances to suppliers, cash and short-term deposits and interest receivable on deposits represents Group's maximum exposure to the credit risk. No other financial asset carries a significant exposure with respect to the credit risk. Deposits and cash balances are placed with Schedule Commercial banks.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy.

Liquidity risk

Liquidity risk is the risk that the Group will have difficulty in raising the financial resources required to fulfil its commitments.

Liquidity risk is held at low levels through effective cash flow management. Cash flow forecasting is performed internally by rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational requirements, to fund scheduled capex and debt repayments and to comply with the terms of financing documents.

31. Related party disclosures

Names of related parties and nature of relationship

Name of the Related Parties	Nature of Relationship
Directors	
Mr. Venu Madhava K	Whole time Director
Mrs. Mini Manikantan	Whole time Director
Mr. P N Vijay	Independent Director
Mr. Methuku Nagesh	Independent Director
Mr. Mopperthy Sudheer	Independent Director
Mr. Sadhanala Venkata Rao	Non-Executive Director (Upto 29th August 2023)
Mrs. Sadhanala Padmaja Kalyani	Executive Director (Upto 21st May 2022)
Mr. Sadhanala Vishwa Prasad	Executive Director (Upto 9th July 2022)
Dr S N Vinaya Babu	Chairperson and Non-Executive Director
Key Management Personnel (KMP)	
Mr. Dr Prasad S	Chief Executive Officer
Mr. Balagangadhara B C	Chief Financial Officer
Mr. Kaushik Kumar	Comapny Secretary
Mr. Chilam Srikanth	Chief Financial Officer (Upto 13th October 2022)
Ms. Annie Jodhani	Company Secretary (Upto 13th October 2022)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Details of transactions with related parties in the ordinary course of business

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Remuneration to Key Management Personnel (KMP)		
Venu Madhava Kaparthy	44.00	27.00
Mini Manikantan	29.00	16.65
Dr Prasad S	17.04	-
Balagangadhara B C	32.00	18.73
Kaushik Kumar	13.40	8.55
Chilam Srikanth	-	0.64
Annie Jodhani	-	2.00
Independent Directors' Remuneration		
P N Vijay	5.00	2.70
Methuku Nagesh	5.00	1.69
Unsecured Loan borrowed		
Dr S N Vinaya Babu	125.00	-
Unsecured Loan repaid		
Dr S N Vinaya Babu	125.00	-
Interest expense on Unsecured Loans		
Dr S N Vinaya Babu	2.86	-

32. Employee benefits

Defined Contribution Plans

The Group has recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employers' Contribution to Provident Fund	19.79	-
Employers' Contribution to Employee State Insurance	2.47	-

Defined benefit plans

The Group provides for gratuity to employees as per the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	21.01	-
Past service cost	-	-
Loss/(gain) on curtailments and settlement	-	-
Net interest cost	-	-
Total amount recognized in the Statement Profit and Loss	21.01	-

Changes in present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the beginning of the year	-	-
Current service cost	21.01	-
Interest Expense or Cost	-	-
Re-measurement (or Actuarial) (gain)/loss	-	-
Past service cost	-	-
Benefits paid	-	-
Present value of obligation at the end of the year	21.01	-

The assumptions used for gratuity valuation are as below:

Particulars	As at 31 March 2024
Discount Rate	7.20% p.a.
Expected Return on Plan Assets	Not Applicable
Salary Growth Rate	7.00% p.a.
Withdrawal Rates:	
Age 25 & Below	10 % p.a.
Age 25 to 35	8 % p.a.
Age 35 to 45	6 % p.a.
Age 45 to 55	4 % p.a.
Age 55 & above	2 % p.a.

Risk exposure

These defined benefit plans typically expose the Group to actuarial risks as under:

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Group, there can be strain on the cashflows.

Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

33. Segment Reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Group has only one reportable segment namely "Contract Research and Manufacturing Services".

34. Capital management

The Group's policy is to maintain strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

The Group manages its Capital structure through a balanced mix of debt and equity. The Group's capital structure is influenced by the changes in the regulatory frameworks, government policies, available options of financing and impact of the same on liquidity position.

The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	As at	As at
	31 March 2024	31 March 2023
Equity Share Capital	3,526.78	2,144.38
Other Equity	3,677.91	101.63
Total Equity (A)	7,204.69	2,246.01
Long-term borrowings	358.54	-
Short-term borrowings	176.70	-
Less: Cash and Cash equivalents	(480.40)	(1,275.42)
Total Debt (B)	54.84	(1,275.42)
Overall financing (C = A+B)	7,259.53	970.59
Gearing ratio (B/C)	0.76%	NA

35. Information about subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

Name	Principal activities	Country of Incorporation	Ownership interest as at	
			31 March 2024	31 March 2023
Adita Bio Sys Private Limited	Contract research and manufacturing services	India	99.86%	0%
Anugraha Chemicals	Contract research and manufacturing services	India	50.60%	31.12%

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts are in Rs. Lakhs, except share data and per share data, unless otherwise stated)

Additional information pursuant to para 2 of general instructions for the preparation of the Consolidated Financial Statements as per Schedule III of the Act

Name of the entity	As at 31 March 2024		Year ended 31 March 2024					
	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net assets	Amount
Holding Company								
Pharmaids Pharmaceuticals Limited	100.80%	7,106.09	41.79%	(494.98)	0.00%	-	40.70%	(494.98)
Subsidiaries								
Adita Bio Sys Private Limited	30.05%	2,118.38	39.47%	(467.40)	0.00%	-	38.43%	(467.40)
Anugraha Chemicals	4.78%	337.05	33.08%	(391.82)	100.00%	(32.00)	34.84%	(423.82)
		9,561.53		(1,354.20)		(32.00)		(1,386.20)
Adjustment arising out of consolidation	-33.43%	(2,356.83)	-47.07%	557.40	-62.63%	20.04	-47.47%	577.44
Non controlling interest	-2.20%	(155.03)	32.72%	(387.51)	62.63%	(20.04)	33.51%	(407.55)
Total		7,049.67		(1,184.31)		(32.00)		(1,216.31)

For PPKG & Co

Chartered Accountants

Firm Registration No: 009655S

Sd/-

CA Girdhari Lal Toshniwal

Partner

Membership No: 205140

Place: Hyderabad

Date: 28-08-2024

For Pharmaids Pharmaceuticals Limited

Sd/-

Dr. S N Vinaya Babu

Chairman & Non-Executive Director

DIN: 01373832

Sd/-

Balagangadhara B C

Chief Financial Officer

Place: Bengaluru

Date: 28-08-2024

Sd/-

Venu Madhava Kaparthy

Whole Time Director

DIN: 00021699

Sd/-

Prasanna Subramanya Bhat

Company Secretary

Membership No: A48828

Sd/-

Dr. S Prasad

Chief Executive Officer

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 35th Annual General Meeting ("AGM") of the members of Pharmaids Pharmaceuticals Limited ("the Company") will be held **on Wednesday, September 25, 2024, at 11:30 a.m. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact following businesses:

Ordinary Business:

1. Adoption of Audited Standalone & Consolidated Financial Statements

To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the Financial Year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.

2. Appointment of Mr. Shreedhara Shetty (DIN: 02776638) as a Non-Independent & Non-Executive Director (liable to retire by rotation) of the Company

To appoint a director in place of Mr. Shreedhara Shetty (DIN: 02776638), Non-Independent & Non-Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

Registered Office:

Unit 201, 2nd Floor, Brigade Rubix,
20/14 HMT Factory Main Road, Peenya
Plantation
Bengaluru, Karnataka – 560013
CIN: L52520KA1989PLC173979
Website: www.pharmaids.com
Email: compliance@pharmaids.com

By Order of the Board of Directors For Pharmaids Pharmaceuticals Limited

Sd/-
Prasanna Subramanya Bhat
Company Secretary and Compliance Officer
Membership No: A48828
Bengaluru, August 28, 2024

NOTES:

1. A statement of details of the Director seeking re-appointment under item No.2 of the notice to be transacted at the AGM pursuant to Regulation 36(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings is annexed hereto.
2. AGM of the Company is being conducted through VC in compliance with General Circular No. 09/2023 dated September 25, 2023 read with General Circular Nos. 14/2020, 17/2020, 20/2020, issued by Ministry of Corporate Affairs and Circular dated October 07, 2023 read with Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India read with the circulars issued earlier on the subject (collectively referred to as "Circulars"), which details the procedure and manner of holding AGM through VC and provide certain relaxations from compliance with Listing obligations.
3. Since this AGM is being held pursuant to the MCA Circulars and SEBI 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, Attendance Slip and Route Map are not annexed to this Notice.
4. In terms of Section 152 of the Companies Act, 2013, Mr. Shreedhara Shetty (DIN: 02776638) retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company re-commends his re- appointment.
5. In compliance of Section 20 of the Companies Act, 2013 and further to the aforesaid MCA Circulars and SEBI Circulars, notice of the 35th AGM along with the Annual Report 2023-24 is being sent only through electronic mode to the Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and the Annual Report 2023-24 will also be available on the Company's Website: www.pharmaids.com. Website of the Stock Exchange i.e., BSE Limited: www.bseindia.com and on the Website of CDSL: www.evotingindia.com.
6. Green Initiative: To support the Green Initiative, Members who have not registered their e-mail address are requested to register their e-mail address for receiving all the communications including Annual Report, Notices, Circulars etc. from the Company electronically.
7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate Members intending to authorise their Representatives to participate and vote at the AGM are requested to upload a copy of the Board Resolution / Authorisation Letter on the E-Voting Portal or send to the Company at compliance@pharmaids.com. with a copy marked to prasanna@pharmaids.com.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the Quorum under Section 103 of the Act. As per Regulation 40 of the SEBI Listing Regulations, as amended, Securities of Listed Entities can be transferred only in Dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of Securities. In view of this, Members holding Shares in Physical Form are requested to consider converting their holdings to Dematerialised form. Members can

contact M/s Venture Capital and Corporate Investments Private Limited, Registrar and Share Transfer Agent of the Company, ("RTA" or "Registrar") situated at "AURUM", Door No. 4-50/P-II/57/4F & 5F, Plot No.57, 4th & 5th Floors, Jayabheri Enclave Phase – II, Gachibowli, Hyderabad 500032, investor.relations@vccipl.com. website of the Registrar: www.vccipl.com. for assistance in this regard.

9. Members are requested to intimate changes, if any, pertaining to their Name, Postal Address, E-mail Address, Telephone / Mobile Numbers, Permanent Account Number, Mandates, Nominations, Power of Attorney, Bank Details viz., Name of the Bank, Branch Details, Bank Account Number, MICR Code, IFSC Code etc., to their Depository Participants ("DPs") in case the Shares are held in Electronic Form and Registrar / RTA in case the Shares are held in Physical Form.
 - a. **Registration of E-mail for Shareholders holding Physical Shares:** Members holding Shares in Physical Form and who have not registered their E-mail addresses may get their E-mail addresses registered with the Registrar, by referring to their website: www.vccipl.com. and follow the Registration Process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and E-mail and also upload the image of Share Certificate in PDF or JPEG format. On submission of the details, an OTP will be received by the Member which needs to be entered in the link for verification. For Permanent Registration for Demat Shareholders: It is clarified that for permanent registration of E-mail address, Members are requested to register their E-mail address, in respect of Demat holdings with the respective Depository Participant (DP) by follow the procedure as prescribed by the Depository Participant.
 - b. **For Temporary Registration for Demat Shareholders:** Members holding Shares in Physical Form and who have not registered their E-mail addresses may get their E-mail addresses registered with the Registrar, by referring to their website: www.vccipl.com. and follow the Registration Process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, Mobile Number and E-mail.
 - c. **Registration of Bank Details for Physical Shareholders:** Members holding Shares in Physical Form and who have not registered their Bank details can get the same registered with the Registrar, by clicking the www.vccipl.com. and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Share Certificate Number, PAN, E-mail, along with the copy of the Cheque Leaf with the First named Member as mentioned on the Cheque Leaf containing Bank Name and Branch, Type of Account, Bank Account Number, MICR Details and IFSC code in PDF or JPEG format. It is very important that the Member should submit the request letter duly signed. The Registrar will verify the documents upload and will only take on records for all valid cases. On submission of the details, an OTP will be received by the Member which needs to be entered in the link for verification.
10. **Nomination:** Pursuant to Section 72 of the Companies Act, 2013, Members holding Shares in Physical Form are advised to file Nomination in the prescribed Form SH-13 with the Company's Share Transfer Agent. In respect of the Shares held in Dematerialised form, Members may please contact their respective Depository Participant.
11. **Consolidation of Physical Share Certificates:** Members holding Shares in Physical Form, in identical order of Names, in more than One Folio are requested to send to the Company or

Registrar, the details of such Folios together with the Share Certificates for consolidating their holdings in One Folio. A Consolidated Share Certificate will be issued to such Members after making requisite changes.

12. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company has provided a facility to its Members to cast their vote electronically, through the E-Voting services provided by Central Depository Services (India) Limited ("CDSL") on all the Resolutions set forth in this Notice. Members who have cast their Votes by remote E-Voting prior to the AGM may also participate in the AGM through VC but shall not be entitled to cast their Vote on such Resolutions again. The manner and process of E-Voting remotely by Members is provided in the instructions for E-Voting which forms part of this Notice.
13. A Person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date for dispatch of Notice and Annual Report i.e., 18th September 2024 will only be entitled for receipt of Annual Report.
14. The Voting Rights of the Shareholders for voting through remote E-Voting at the AGM shall be in proportion to their share of the Paid-up Equity Share Capital of the Company as on Wednesday, 18th September 2024 ('Cut-Off Date'). A Person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date, only shall be entitled to avail the facility of remote E-Voting or of voting at the AGM and who is not a Member as on the Cut-off Date shall treat this Notice for information purposes only.
15. The Remote E-Voting Period will commence on Sunday, 22.09.2024 (IST 09:00 A.M.) and will end on Tuesday, 24.09.2024 (IST 05:00 P.M.). During this period, Members of the Company, holding Shares either in Physical Form or in Dematerialised form, as on the Cut-off Date i.e., on Wednesday, 18th September 2024 ('Cut-Off Date') shall be entitled to cast their vote by remote E-Voting. Once the Vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
16. The facility for Voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their Vote on the Resolutions through remote E-Voting and are otherwise not barred from doing so, shall be eligible to Vote through E-Voting system during the AGM.
17. Any person who becomes a Member of the Company after sending the Notice and holding Shares as on the Cut-off date (18th September 2024) may obtain the Login-id and Password by sending a request at helpdesk.evoting@cdslindia.com. However, if a member is already registered with CDSL for remote E-Voting then he / she can use his / her existing User-id and Password for casting the Vote.
18. In case of Joint holders, the Joint holder who is higher in the order of Names, will be entitled to vote at the Meeting, if not already voted through remote E-Voting.
19. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company mentioning their Name, Demat Account Number / Folio Number, E- mail, Mobile Number at compliance@pharmaids.com or

prasanna@pharmaids.com. on or before Wednesday, 20th September 2024. The same will be replied by the Company suitably.

20. The Board of Directors has appointed Mr. Kashinath Sahu, Practicing Company Secretary (MembershipNo. FCS 4790, COP No. 4807), Hyderabad as the Scrutinizer to scrutinize the remote E-Voting Process and voting during the AGM, in a fair and transparent manner.
21. The Scrutinizer shall immediately, after the conclusion of E-Voting at the AGM, first count the Votes Cast during the AGM, thereafter, unblock the Votes Cast through remote E-Voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the Total Votes Cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same. The Results declared along with the Scrutinizer's Report shall be placed on the Website of the Company and on the Website of CDSL immediately. The results will also be communicated to BSE Limited, where the Shares of the Company are listed.
22. To prevent fraudulent transactions, Members are advised to exercise Due Diligence and notify the Company of any change in address or Demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic Statement of Holdings should be obtained from the concerned DPs and Holdings should be verified from time to time.
23. Instructions for attending the AGM through VC / OAVM:
 - i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL E-Voting system. Shareholders may access the same at www.evotingindia.com. under Shareholders / Members login by using the remote E-Voting credentials. The link for VC/OAVM will be available in Shareholder / Members login where the EVSN of the Company is displayed.
 - ii. Members may join the Meeting through Laptops, Smartphones, Tablets and I-Pads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.
 - iii. Shareholders who would like to express their views / ask questions during the Meeting may register themselves as a speaker by sending their request in advance prior to the Meeting Date latest by 20th September 2024, from their registered E-mail address mentioning their names, DP-ID and Client- ID / Folio Number, PAN and Mobile Number at compliance@pharmaids.com. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - iv. Members are encouraged to submit their questions in advance with regard to the Financial Statements or any other matter to be placed at the 35th AGM, from their registered E-mail address, mentioning their Name, DP-ID and Client-ID Number / Folio Number and Mobile Number, to reach the Company's E-mail address at compliance@pharmaids.com. before 5:00 P.M. (IST) on Wednesday, 20th September 2024 . Such questions by the Members shall

be suitably replied by the Company.

- v. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
 - vi. **If any votes are cast by the Shareholders through the E-Voting available during the AGM and if the same Shareholders have not participated in the Meeting through VC / OAVM facility, then the votes cast by such Shareholders shall be considered as invalid, as the facility of E-Voting during the Meeting is available only to the Shareholders attending the Meeting.**
24. Subject to the receipt of Requisite number of Votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM.

Voting through Electronic Means:

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 read with the Companies (Management and Administration) Rules, 2014 read with amendments or re-enactments made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide the facility to exercise Members' Right to Vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Members attending the Meeting, who have not already cast their vote through Remote E-Voting shall be able to exercise their Voting Rights at the Meeting. The Members who have already cast their vote through Remote E-Voting may attend the Meeting but shall not be entitled to cast their vote again at the AGM.

25. The instructions for Shareholders for Voting Electronically are as under:

- (i) The Voting Period commences on Sunday, 22.09.2024 (09:00 A.M.) and closes on Tuesday, 24.09.2024 (05:00 P.M.) During this period, the Shareholders of the Company, holding Shares either in Physical Form or in Dematerialized Form, as on the Cut-off Date (Record Date), Wednesday, 18th September 2024 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.

Login method for E-Voting and Joining Virtual Meetings for Individual Shareholders holding Securities in Demat Mode:

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December' 2020 on "E- Voting Facility provided by Listed Companies", Individual Shareholders holding Securities in Demat mode are allowed to cast their vote through their Demat Account maintained with the Depositories and Depository Participants. Shareholders are advised to update their Mobile Number and E-mail in their Demat Accounts in order to access the E-Voting Facility. Pursuant to the 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
<p>Individual Shareholders Holding Securities in Demat Mode with CDSL</p>	<p>Users who have opted for CDSL EASI / EASIEST facility, can login through their existing User-id and Password. The 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.</p> <p>After successful login to the EASI / EASIEST User will be able to see the E-Voting option for eligible Companies where the E-Voting is in progress as per the information provided by Company. On clicking the E-Voting option, the User will be able to see the E-Voting page of the E-Voting Service Provider for casting your Vote during the remote E-Voting period or joining Virtual Meeting and Voting during the Meeting. Additionally, there are 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.</p> <p>If the User is not registered for EASI / EASIEST, option to register is available at the following link: www.cdslindia.com.</p> <p>Alternatively, the User can directly access E-Voting Page by providing Demat Account Number and PAN on E-Voting link available on https://evoting.cdslindia.com/Evoting/EvotingLogin home page. The system will authenticate the User by sending OTP on the Registered Mobile and E-mail as recorded in the Demat Account. After successful authentication, the User will be able to see the E-Voting option where the E-Voting is in progress and also able to directly access the system of all the E-Voting Service Providers.</p>
<p>Individual Shareholders Holding Securities in Demat Mode with NSDL</p>	<p>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.nsd.com either on a Personal Computer or on a Mobile. Once the Homepage 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</p>

	<p>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 and Voting during the Meeting.</p> <p>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.</p> <p>Visit the E-Voting website of NSDL. Open web browser by typing the following URL: <u>NSDL eVoting System</u> either on a Personal Computer or on a mobile. Once the homepage 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 and Voting during the Meeting.</p>
<p>Individual Shareholders Holding Securities in Demat Mode Login through their Depository Participants</p>	<ul style="list-style-type: none"> • 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 and voting during the Meeting.

Important note: Members who are unable to retrieve User-id/ Password are advised to use Forgot User-id and Forgot Password option available at above mentioned 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 the following e-mail: helpdesk.evoting@cdslindia.com . or Contact at 022 - 4886 7000
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 / 022 - 4886 7000

Login method for E-Voting for Physical Shareholders and Shareholders other than Individuals holding in the Demat Form

- a. The Shareholders should log on to the E-Voting Website: www.evotingindia.com
- b. Click on “SHAREHOLDERS” Module.
- c. Now enter your User-id
 - i. For CDSL: 16 Digits Beneficiary ID
 - ii. For NSDL: 8 Character DP-ID followed by 8 Digits Client-ID
 - iii. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the ‘Image Verification’ as displayed and Click on Login.
- e. If you are holding Shares in Demat form and had logged on and had voted on an earlier E-Voting of any Company, then your existing password is to be used.
- f. If you are a first-time user follow the steps given below:

For Physical Shareholders and other than Individual Shareholders holding Shares in Demat Form

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.

- g. After entering these details appropriately, click on ‘SUBMIT’ tab.
- h. 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 the 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.
- i. For Shareholders holding shares in Physical Form, the details can be used only for E-Voting on the Resolutions contained in this Notice.
- j. Click on the EVSN of the relevant Company (*Pharmaids Pharmaceuticals Limited*) on which you choose to vote.
- k. 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.
- l. Click on the ‘RESOLUTIONS FILE LINK’ if you wish to view the entire Resolution details.
- m. 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.
- n. Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your Vote.
- o. You can also take a print of the votes cast by clicking on ‘Click here to Print’ option on the Voting Page.

- p. 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 and enter the details as prompted by the system.

Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting:

- Non – Individual Shareholders (i.e., Other than Individuals, HUF, NRI etc.) and Custodians are required to log on to the website: [CDSL-eVoting System \(evotingindia.com\)](http://CDSL-eVoting System (evotingindia.com)) and register themselves in the 'CORPORATES' Module.
- A Scanned copy of the Registration Form bearing the Stamp and Sign of the Entity should be mailed to helpdesk.evoting@cdslindia.com
- 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.
- 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.
- 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.
- Alternatively Non – Individual Shareholders are required to send the relevant Board Resolution / Authority Letter etc. together with the Attested Specimen Signature of the Duly Authorized Signatory who are authorized to vote, to the Scrutinizer and to the Company at the E-mail address: compliance@pharmaids.com. If they have voted from individual tab and not uploaded same in the CDSL E-Voting System for the Scrutinizer to verify the same.

If you have any queries or issues regarding E-Voting from the CDSL E-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022 – 23058738 and 022 – 23058542 / 43

All grievances connected with the facility for Voting by electronic means may be addressed to Shri Rakesh Dalvi, Sr Manager, Central Depository Services (India) Limited (CDSL), Wing – A, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an E-mail to helpdesk.evoting@cdslindia.com or call on 022 – 23058542 / 43.

By Order of the Board of Directors

Sd/-

Prasanna Subramanya Bhat

Company Secretary and Compliance Officer

Membership No: A48828

Bengaluru, August 28, 2024

Annexure to the Notice

Item No. 02 : Details of Directors seeking Re-appointment at the 35th Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)]

Name of the Director	Shreedhara Shetty
DIN	02776638
Date of Birth	05/03/1959
Age	65
Date of First Appointment / Re-appointment on the Board	29/08/2023
Qualifications	Postgraduate (PGDIE) in Industrial Engineering, BE in Metallurgical Engineering and Bachelor of Science in (Physics, Maths & Chemistry)
Experience	28 years
Terms and Conditions of Appointment	Appointed as Non-Executive Non-Independent Director on the Board, liable to retire by rotation and retiring by rotation at ensuing AGM.
Nature of Expertise in Specific Functional Areas	28+ years of global experience in customer facing sales leadership, multicultural team management, mergers and acquisitions, and building strategic relationships with leading clients.
Remuneration last Drawn	Nil from the Company
Number of Meetings of the Board attended during the Year	During FY2023-24, he has attended four Board meetings.
Inter-se Relationship with other Directors and Key Managerial Personnel	None
List of Directorship	None (Not a Director in any listed Company except Pharmaids Pharmaceuticals Limited)
Membership / Chairmanship of Committees of other Board (Listed)	Nil
Shareholding in Pharmaids Pharmaceuticals Limited	Mr. Shreedhara Shetty holds 65,94,446 Equity Shares of the Company.
Name of listed companies from which the person has resigned in past 3 years	None

By Order of the Board of Directors

Sd/-

Prasanna Subramanya Bhat

Company Secretary and Compliance Officer

Membership No: A48828

Bengaluru, August 28, 2024



PHARMAIDS PHARMACEUTICALS LIMITED

PHARMAIDS PHARMACEUTICALS LIMITED

Registered Office Address

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Telephone No.: 080 - 49784319
Email ID: compliance@pharmaids.com
Website: www.pharmaids.com