DRUGS AND CHEMICALS LIMITED

Registered Office :
815, Nilamber Triumph, Gotri-Vasna Road, Vadodara - 390 007. Gujarat (INDIA).
Ph. : +91-265-2991021 / 2991022

Email : admin@pardrugs.com **CIN No. :** L24117GJ1999PLC035512

www.pardrugs.com

PAR/CS/NSE/2022-23/32 Date: 13/08/2022

To,
The Manager
Listing department,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400 051
Maharashtra

Subject: Annual Report for the Financial Year 2021-22 and Notice convening the 23rd Annual General Meeting

Ref.: Symbol- PAR, ISIN: INE04LG01015

Dear Sir/Madam,

Pursuant to Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the Financial Year 2021-22 along with Notice convening the 23rd Annual General Meeting, scheduled to be held on Saturday, 10th Day of September, 2022 at 11:00 A.M. at TaraSuns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India. The Company has sent the AGM Notice & Annual Report on August 12, 2022 through electronic mode to the members whose email addresses are registered with the Company/Depositories/Share Transfer Agent and whose name available in the register of members of the Company as on Friday, August 05, 2022 in accordance with circulars issued by Ministry of Corporate Affairs dated May 5, 2020; dated April 8, 2020; dated April 13, 2020 and other relevant circulars and SEBI Circular dated May 13, 2022 vide circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62. The Annual Report for the F.Y. 2021-22 is also available on the Company's website at www.pardrugs.com

Kindly take on the record and acknowledge the receipt.

Yours Faithfully,
For PAR DRUGS AND CHEMICALS LIMITED

PAR DRUGS AND CHEMICALS LIMITED GUJARAT

(Sanket B. Trivedi)
Company Secretary & Compliance Officer

Encl: As above



'Inspiration comes of working everyday'

ANNUAL REPORT

2021-2022

Par

DRUGS AND CHEMICALS LIMITED

DRUGS AND CHEMICALS LIMITED

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Corporate Profile

The Company was founded by our honorary Late Shri Vallabhbhai Jivabhai Savani and then he had handed over it to second generation Mr. Falgun V. Savani, Chairman and Managing Director of the Company and Mr. Jignesh V. Savani, Director and CEO of the Company. We are presently engaged in the manufacturing of APIs and Fine Chemicals for the domestic market as well as for exports to international markets. APIs, also known as "bulk drugs" or "bulk actives" are the principal ingredient used in making finished dosages in the form of capsules, tablets, liquid, or other forms of dosage, with the addition of other APIs or inactive ingredients. We currently produce the Entire Range of Antacid Molecules available in the market.

We currently own and operate manufacturing facilities at Bhavnagar in Gujarat. Our Bhavnagar facility is certified by food & drugs control administration. We currently have four Manufacturing Blocks at our Bhavnagar Facility for different products. During the year 2011, we added two manufacturing blocks at our Chitra, Bhavnagar facility. One is a dedicated facility for our Main API and another one is for Fine Chemicals. In June, 2021 we have started a set of new production line-up i.e. one new manufacturing block, which increases production capacity within the existing product portfolio i.e. same as per our existing product portfolio and market. More precisely, There are four Manufacturing Blocks at Bhavnagar which are for different products having a capacity of approx 9,700 MTPA. Block 1 – APIsBlock 2 - Magnesium Hydroxide Block 3 - Fine ChemicalsBlock 4 – APIs/ Fine Chemicals

The company manufactures the entire range of products in the Antacid Molecules segment. The product portfolio presently comprises 18 APIs and 10 Fine Chemicals which are marketed domestically and also exported. The Company is operating both in domestic and export markets. Company exports its products to approximately 16 countries, including Germany, United Kingdom, Bangladesh, Iran, and U.A.E, Indonesia, Japan, South Korea, etc. including both direct and indirect exports.

We seek to establish long-term relationship with our customers and expand our business opportunities with them.



The Company at a glance

Par Drugs and Chemical Limited established in the year 1999.

Our founder Late Shri V. J. Savani was a technocrat with an experience of over 21 years in the manufacture of Antacid raw materials. The Company today manufacturers approx 28 different products and all the requisite grades as available in market.

Mission & Vision

With the Legacy of more than 33 years we at Par Drugs and Chemicals Limited is a 23-year-old company.

Mission Statement :

To enhance the value of our customer's products by delivering best quality of raw materials. To consistently improve quality and production standards for the betterment of our customer's. To build a strong relationship with all our customers, vendors and employees on the values of ethical and transparent working system.

Vision statement :

To develop an Ultra Modern R&D facility to bring various chemical innovations to life. To implement the new standards of production process into our existing product lines which will optimize the production time without compromising on the quality yet making it easily sustainable. To modify our existing products so as to develop entirely new products/formulations for different segments of the industry. To diversify and enter new regions and territories by developing byproducts from our existing product lines.



Current Product Portfolio

The company is one of the largest manufacturer in Magnesium Hydroxide, Sucralfate and Magnesium Trisilate in India.

API (72%)	
Magnesium Hydroxide	Magnesium Oxide USP
Sucralfate	Almagate BP
Dried Aluminium Hydroxide Gel	Light Magnesium Carbonate
Magaldrate	Light Magnesium Carbonate
Magnesium Trisilicate	Colloidal Silicon Dioxide
Aluminium Magnesium Silicate	Magnesium Aluminometasilicate
Magnesium Aluminosilicate-USP	Magnesium Oxide Light
Magnesium Oxide Heavy	Magnesium Aluminium Hydrate
Hydrotalcite	Synthetic Aluminium Silicate

Fine Chemicals (28%)
Precipitated Silica
Sodium Aluminium Silicate
Amorphous Aluminium Hydroxide
PARSIL-HT
PAR ADD OP
MagSil OF
FlowSil
Aluminium Hydroxide Magnesium Carbonate Co-Dried Gel
Magnesium Aluminium Silicate Hydrated (Pharma)
Magnesium Aluminium Silicate Hydrated (Agro)

Magnesium Hydroxide

- Widely used as an Antacid in many Formulations helping reduce stomach acid.
- Also used as intermediate for obtaining magnesium metal, residual fuel additive, sulfite pulp, uranium processing, dentifrices, in food as alkali, drying agent, colour retention agent, frozen desserts.

Sucralfate

- It is a medication primarily taken to treat active duodenal ulcers.
- Sucralfate is also used for the treatment of gastroesophageal reflux disease and stress ulcers.

Dried Aluminium Hydroxide Gel

- Mainly used as an active medicament in an Antacid Formulations.
- Used in manufacturing of lake colours, Inks, catalysts carrier etc.

Magaldrate

- It is a common antacid drug that is used for the treatment of duodenal and gastric ulcers, esophagitis from gastroesophageal reflux.

Magnesium Trisilicate

- Used as Antacid in Antacid Formulations.
- Useful Antioxidant, decolorizing agent.
- Industrial odour absorbent.

Synthetic Aluminium Silicate-KP

- Used in cattle feed product formulation.

Magnesium Aluminosilicate-USP

- Used as an Antacid Raw material in a specific antacid Formulation.

Magnesium Aluminometasilicate-KP/USP

- Used as an Antacid Raw material in a specific antacid Formulation.

Aluminium Magnesium Silicate

- Used as an Antacid Raw material in a specific antacid formulation.
- Ceramics suspending agent, thickening agent etc.

Magnesium Oxide USP

- Its uses include relief of heartburn and sore stomach, as an antacid, magnesium supplement and as a short-term laxative.

Almagate BP

- Used as an Antacid Raw material in a specific antacid formulations.

Heavy Magnesium Carbonate – IP/BP/UPS

- Used as an Antacid Raw material in a specific antacid Formulation.

Colloidal Silicon Dioxide

- Has many uses in tablet-making: some include as an anti-caking agent, adsorbent, disintegrate or glidant to allow powder to flow freely when tablets are processed.

APIs and their Applications

Hydrotalcite

- Used as an API in Antacid Formulation.

Magnesium Aluminium Hydrate

- Used as an Antacid Raw material in a specific.

Light Magnesium Carbonate

Light magnesium Carbonate is an inorganic compound used as common antacid.

- Used to produce magnesium metal and basic refractory bricks.
- Used in flooring, fire proofing.
- Fire extinguishing compositions.
- Cosmetics, dusting powder and toothpaste.

Magnesium Oxide Light

Magnesium Oxide is a common antacid drug that is used for Pharmaceutical aid.

- Filling and reinforcing agent for light-coloured plastic and rubber products.
- Polishing agent, binding agent.
- Accelerator and activator for fluorine and chloroprene rubber.
- For making ceramic, enamel, advanced refractory materials. Used for making magnesium chloride cement. Widely used in glass, dyes, phenolic plastic and other fields.

Magnesium Oxide Heavy

- Common Antacid drug used in pharmaceutical aid.
- Widely used as high temperature resistant materials.



Fine Chemicals and their Applications

Fine chemicals are chemical substances prepared to a very high degree of purity. They can be used in different industries. These chemicals are used for special applications by manufacturing firms that make the following products: Pharmaceuticals, paints, petrochemicals, adhesives and agricultural products.

Precipitated Silica

It is a form of silica (silicon dioxide, SiO2); it is a white, powdery material. Precipitated silica is produced by precipitation from a solution containing silicate salts.

- Pesticides & Detergents.
- Special Low Moisture Grade.
- Free Flow Salt & Anticaking Agent.
- For Cosmetics.
- Pharmaceuticals.

Allusil (Sodium All. Silicate) - Sodium Aluminium Silicate

It is a composition of Silicate & Aluminium Salt.

- Paper
- Paint
- Coating application

Amorphous Aluminium Hydroxide

- Amorphous Aluminium Hydroxide Dried Gel is used in manufacturing of construction chemicals mainly used to manufacture “Short Crete”.

PARSIL - HT

- Used in Specialized Agro Formulation.

PAR ADD OP

- Used as Filler in PVC Pipes Manufacturing.

Magnesium Aluminium Silicate (Agro)

- Used as Plant Growth Supplement.

Magnesium Aluminium Silicate (Pharma)

- Used as an Antacid Raw material in a specific antacid Formulation.
- Ceramics, suspending agent, thickening agent etc.

Aluminium Hydroxide Magnesium Carbonate Co-Dried Gel

- Used as Pharma Excipient in specific antacid formulations.

MagSil OF

- Used in Regeneration of Used Cooking Oil.

FlowSil

- Used as Packing Material in Chromatographic Columns.

Key Milestones

Late Shri V. J. Savani established M/s. PAR INORGANICS in the year of 1982 then the PAR DRUGS AND CHEMICALS LIMITED was incorporated in the year 1999.

2002 Drying Technology Up gradation (spin flash dryer) in India, which was first time in our product segment.

2005 We have established second manufacturing facility in Asia's biggest chemicals corridor, GIDC Ankleshwer.

2009 Fuel Technology modification changeover from furnace oil to Coal Fired Hot Air Generator, which has improved our cost effectiveness tremendously and increased profit of company.

2010 We have got GMP (Good Manufacturing Practice) Certification from renowned organization named World Health Organization (WHO) at our Bhavnagar manufacturing facility.

2012 We have established two new manufacturing blocks in Bhavnagar, one block is specially for fine chemicals to expand new business segment other then Pharma product. Further, second block is dedicated to only one product magnesium hydroxide. Moreover Ankleshwer plant was upgraded with spray dryer system. 2015we have addition of one API product named - Sucralfate - the only manufacturer in India.

2015 We have addition of one API product named - Sucralfate - the only manufacturer in India.

2017 We have installed 120kw Solar Power Generation Plant in our premises - roof tops by this application we produce Solar Power and help green energy by reducing 1,54,000 kgs p.a. of carbon emission.

2018 Conversion from Private Limited to Limited on 5th November 2018.

2019 The Company has successfully come up with an Initial Public Offer (IPO) of 16,72,000 Equity Shares of face value of 10 each for cash at a price of 51/- each, aggregating to 852.72 lakhs of equity shares of the company on May 3, 2019, Friday which was closed on May 08, 2019, Wednesday and equity shares of the company listed on NSE SME EMRGE platform on May 16, 2019.

2021 Brownfield expansion of 1,400 MTPA, commissioning of Fine Chemical for the Japanese market. The equity shares of the Company listed and admitted to dealings on the Exchange (Capital Market Segment) with effect from September 16, 2021 pursuant to migration from SME Emerge Platform.

Key Strengths



Diversified Portfolio: The company manufactures the entire range of products in the Antacid segment. The product portfolio presently comprises 18 APIs and 10 Fine Chemicals which are marketed domestically and exported.



Global Presence: The Company is operating both in domestic and export markets. The export products are to approximately 16 countries, including Germany, United Kingdom, Bangladesh, Iran, and U.A.E, Indonesia, Japan, South Korea, etc.



Experienced Promoters: Led by qualified and experienced Promoters and key managerial personnel, who we believe have extensive knowledge and understanding of the APIs business environment and have the expertise and vision to organically scale up the business.



Robust Chemistry Capabilities: A research driven Company with R&D efforts focused on developing processes and achieving process improvements and production cost efficiencies.



Diversified Customer base: Catering to more than 191 customers through dealers/agents worldwide.



Established Sales and distribution network: Comprising of more than 40 dealers and distribution network is spread globally comprising of 13 agents.



Cash Rich Company: The company is a net debt free and generates free cash flow. They plans it expansions through internal accruals.

Future Strategy

Expand the product portfolio :

Seek to leverage the R&D capabilities to expand PDCL's Product Portfolio and thus penetrate the different segments of application and value added products. This will ultimately increase the profitability by value addition.

Exploring new geographical area :

Intend to continue to grow sales by exploring new geographical area and developing new products portfolio. Currently targeting to enter Japan, South Korea and China.

Direct Exports :

With the aim to enhance the growth of the company, the company wishes to serve its customers directly and improve relations.

Continuous Research and Development using Innovation :

A new fully owned R&D Centre will be set-up to add new APIs molecules in other therapeutic segments as well like anti-depressants, anti-diabetics and anti-fungal.

Expansion :

The Company has completed Brownfield Expansion in March 2021. With the growth in product portfolio, the company plans to do a greenfield expansion in the next two to three years.





CHAIRMAN'S Message

Dear Shareholders,

For Par Drugs And Chemicals Limited, 2021-22 has also marked a change in tone and emphasis. Following the success of strategy established during the year, the Board and management have given a great deal of time and effort in 2021-2022 thinking about the next lag of our strategy. It is clear to all that the expectations of our investors' has increased, and how we help them to achieve healthy returns to their investments., requires a substantial leap forward. During this financial year, we have observed the true meaning of the Globalization, as the war has taken place between Ukraine and Russia has affected the economies of each and every nation worldwide. We have also been affected by the same as the Fuel Prices and Raw Material Prices has gone up very suddenly without giving any prior signals. This has affected our margins so bad during the third quarter. We have tried to pass it to our customers but it has taken some time for us to convince them but eventually we were successful and the same was reflected in our fourth Quarter performance. Now, this situation we have to handle very delicately as we have to keep in mind both top line and bottom line, hence we have taken a difficult decision to balance these. It was also observed that as your Company is into the business of API's, it has not so badly hit by the growing inflation compared to other segments of the industry. I would also like to add here that your Company has completed the Brown Field Project at our Bhavnagar site and the plant is now working satisfactorily.

Your Board has been fully engaged and supportive in the development of this strategy. The goal of being one of the best is a lofty one, and will be hard to achieve. With humility, we believe that the record of the Company over the last five years gives us the right to aspire to that high standard. The 2021-2022 was another year of good financial performance with the “Debt Free Company” wind at our backs in the fourth quarter. Board was pleased to see the growth in our turnover, especially the export growth which was reached at 24% of total turnover during the year as compared to 16% in the previous financialyear, and although the situation of hike in the prices of coal, raw materials and transportation as well as high sea freights, your company has tried to maintain the profit margin. The Company's overall achievements were rewarded in our share price by creating substantial shareholder's return over the last five years at level that compare to industry overview.

I'm glad to inform you that we have successfully applied and presented our R&D project to the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology for their approvals. After getting the approval we will start working on the project. Further, the Company is passionately focus on the path towards theexpansion of the manufacturing facility, as the path towards the same we have identified one industrial land adjourning the current premises and will be finalizing purchase of the same in the near future.

I would like to thank our employees for their countless efforts and openness to take on the ambitious course we have set for your Company. I would also like to thank our management team for its collaboration and hard work building on our strong foundation. And to our shareholders, investors thank you for the trust you have shown in your Company's leadership and financial future.

I am honored to have the opportunity to serve as your Chairman and have every confidence that the Board and management team will continue to build upon the success of your Company and I believe that We have always sought to be diligent inour service to our stakeholders, but our strategy for the next few years will intensify our mission and vision of the Company.

wish you all everything of the best.

Falgun V. Savani



Chairman & Managing Director

CEO Message



Dear Members,

With remembrance of great visionary and founder of our company, my father Shree Vallabhbhai J. Savani, I would like to pay my gratitude to his divine soul. He has been wonderful guide and torchbearer for our company, our company's current establishment and progress is part of his vision and our future expansions will also be part of his foresight. He has always taken care of every single employee of this organization. We are lucky enough to become a part of this entity called “PAR”. We always try to follow his footmarks.

Our different teams and departments at Par performed so well, like Quality control department has faced internal and external audits and qualified our plant accordingly. To sum this when we are talking about compliance, we have pushed ourselves to a level where its like a well balanced corporate driven organization. Here I can say that we are now committed to perform where all our stakeholders will be benefited and grow in ethical way.

During 2021-22 our company has performed as per given goals, we have achieved results as expected. We have started renovation process of old plant which will be completed very soon. At this junction I would give credit to our team who has planned production very systematically.

We are at Par Drugs And Chemicals Limited, aware of our Social Responsibilities and as a part of it we completed two projects for education last year. Now, this year We have completed two new projects to provide batter health to society under CSR of 2021-22. Project with Red cross society Bhavnagar where we have donated equipment for their dental ward, by getting this facility people of Bhavnagar will be benefited with low cost and better dental treatment. Another with Rotary Club of Rajkot Midtown, where we have provided annual diagnostic package for needy people.

Our human mindset towards earnings and savings is like we always accept and expect to grow. We always strive to set and overcome by our own benchmarks.

Corporate Information

BOARD OF DIRECTORS

Mr. Falgun Vallabhbhai Savani	:	Chairman & Managing Director
Mr. Jignesh Vallabhbhai Savani	:	Executive Director & CEO
Mr. Ghanshayambhai Bhagvanbhai Savani	:	Whole-Time Director
Mr. Pravin Manjibhai Bhayani	:	Independent Director
Mrs. Kajal Chintanbhai Vaghani	:	Independent Director
Mrs. Krishna Mitulbhai Shah	:	Independent Director
Mrs. Bintal Bhaveshkumar Shah	:	Independent Director
Mrs. Nayna Jignesh Savani	:	Non - Executive Director

CHIEF FINANCIAL OFFICER

Mr. Chintan P. Chauhan
cfo.par@pardrugs.com

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Sanket B. Trivedi
cs.sanket@pardrugs.com

STATUTORY AUDITORS

V. Dhamsania & Associates
Chartered Accountants

320, Imperial Arc, Opp University Gate,
Waghawadi Road, Bhavnagar-364001
vipuldhamsania@gmail.com

SECRETARIAL AUDITORS

DG PATEL & ASSOCIATES
Practicing Company Secretaries
Mr. Dip G. Patel,
Company Secretary
Opp. Bank of Baroda, Lokhand Bazar, Bhavnagar-364001
csdgpatel@gmail.com

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
5th Floor, 506 TO 508,
Amarnath Business Centre – 1 (ABC-1),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner, Off C. G. Road,
Ellisbridge,
Ahmedabad – 380006, Gujarat, India
Contact: 079 - 2646 5179
E-mail: ahmedabad@linkintime.co.in

BANKERS

Kotak Mahindra Bank

21, Vicenza House, Friends Society,
Alkapuri, Vadodara -390005
Phone : +91 8347444687

REGISTERED OFFICE

815, Nilamber Triumph, Gotri Vasna Road,
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CORPORATE OFFICE

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Phone no.: 0265-2991022
Email: investors@pardrugs.com
Website: www.pardrugs.com

GENERAL INFORMATION

a. Company's Corporate Identification Number
CIN: L24117GJ1999PLC035512
b. Company's Shares Listed at NSE Capital Market Segment.
c. Company's Shares are mandated for trading in demat mode.
d. ISIN allotted to Company's share is INE04LG01015

Factory Unit

333/1, GIDC, Estate.
Phase-II, Chitra,
Bhavnagar - 364004.
Gujarat, India.
+91 - 278 - 244 6342



Board of Directors
&
KMPS

From **Left to Right**

Mrs. Krishna Mitulbhai Shah,
Independent Director

Mrs. Bintal Bhaveshkumar Shah,
Independent Director

Mrs. Nayna Jignesh Savani,
Non-Executive Director

Mrs. Kajal Chintanbhai Vaghani,
Independent Director

Mr. Falgun Vallabhbhai Savani,
Chairman & MD

Mr. Jignesh Vallabhbhai Savani,
Executive Director & CEO

Mr. Ghanshayambhai Bhagvanbhai Savani,
Whole Time Director

Mr. Pravin Manjibhai Bhayani,
Independent Director



Mr. Falgun Vallabhbhai Savani

Chairman & Managing Director

Falgun Vallabhbhai Savani, aged 47 years, is the Promoter, Chairman and Managing Director of our Company. He has been the Director of our Company since inception and was subsequently designated as Chairman and Managing Director of the Company w.e.f. November 26, 2018. He holds Bachelor's degree in Pharmacy from B. K. Modi Government Pharmacy Collage, Rajkot affiliated with Saurashtra University. He has 21 years of experience in API Industry. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

Mr. Jignesh Vallabhbhai Savani

Executive Director & CEO



Jignesh Vallabhbhai Savani, aged 44 years, is Promoter, CEO and Executive Director of our Company. He has been the Director of our Company since inception and was subsequently designated as CEO of our Company w.e.f. November 26, 2018. He has completed Matriculation education from Gujarat Secondary Education Board. He has 21 years of experience in the API Industry. He has been actively involved in the day-to-day operations of our Company and looks after the sales, administration and finance department of our Company.



Mr. Ghanshayambhai Bhagvanbhai Savani

Whole-Time Director

Ghanshayambhai Bhagvanbhai Savani, aged 51 years, is a Whole- Time Director of Company. He was originally appointed as Additional Director of the Company on April 01, 2012 and regularised as Director of the Company on September 14, 2012 and designated as Whole- Time Director of the Company w.e.f. November 26, 2018. He is an under Matriculate. He is actively engaged in Production Activity of the Company. He has 31 years of experience in the API Industry. His expertise and business acumen helped in the sustainable growth of the Company.

Mrs. Nayna Jignesh Savani

Non - Executive Director



Nayna Jignesh Savani, aged 43 years, is a Non- Executive Director of our Company. She was originally appointed as Additional Director of the Company on February 02, 2018 and regularized as Non-Executive Director of the Company on September 29, 2018. She holds Bachelor degree in Commerce from Bosamiya Arts & Commerce Collage, Jetpur, affiliated with Saurashtra University.



Mr. Pravin Manjibhai Bhayani

Independent Director

Pravin Manjibhai Bhayani, aged 50 years, is an Independent Director of our Company. He was originally appointed as Additional Independent Director of the Company on January 17, 2019 and regularized as Independent Director of the Company on February 09, 2019. He is a Qualified Chartered Accountant and a Fellow Member of The Institute of Chartered Accountants of India and also holds Certificate of Practice of The Institute of Chartered Accountants of India. He completed his Third year Examination commerce stream from Gujarat University. He also holds Post Qualification degree in Information System Audit i.e. ISA from ICAI. He has 23 years of vast experience in the field of Audit, Accounts and Finance.



Mrs. Kajal Chintanbhai Vaghani

Independent Director

Kajal Chintanbhai Vaghani, aged 42 years, is an Independent Director of our Company. She was originally appointed as Additional Independent Director of the Company on January 17, 2019 and regularized as Independent Director of the Company on February 09, 2019. She holds a Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai. She has an experience of about 17 years in Automobiles Industry. She has successfully qualified online proficiency for Independent Director's Data bank on April 25, 2022 from Indian Institute of Corporate Affairs.

Mrs. Krishna Mitulbhai Shah

Independent Director

Krishna Mitulbhai Shah, aged 42 years, is an Independent Director of our Company. She was originally appointed as Additional Independent Director of the Company on January 17, 2019 and regularized as Independent Director of the Company on February 09, 2019. She holds a Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai. She has successfully qualified online proficiency for Independent Director's Data bank on February 1, 2022 from Indian Institute of Corporate Affairs.





Mrs. Bintal Bhaveshkumar Shah

Independent Director

Bintal Bhaveshkumar Shah, aged 46 years, is an Independent Director of our Company. She was appointed as an Additional Independent Director of the Company on September 28, 2020 and regularized in AGM held on 29th September, 2021 . She holds a Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai. She has successfully qualified online proficiency for Independent Director's Data bank on July 14 , 2022 from Indian Institute of Corporate Affairs.

Mr. Chintan Pratapbhai Chauhan

Chief Financial Officer

Chintan Pratapbhai Chauhan, aged 40 years, is Chief Financial Officer of the Company. He has been appointed as Chief Financial Officer of our Company w.e.f. November 26, 2018. He holds Bachelor's degree in Commerce from M. J. College of Commerce, Bhavnagar, affiliated with Bhavnagar University. He has an experience of about 17 years in finance field. He is responsible for handling the financial operations of the Company.

Mr. Sanket Bhupendrabhai Trivedi

Company Secretary and Compliance Officer

Sanket Bhupendrabhai Trivedi, aged 32 years, is Company Secretary and Compliance Officer of our Company. He has been appointed as Company Secretary and Compliance officer of our Company w.e.f. September 06, 2018. He holds a Bachelor's degree in Commerce from B. J. Vanijya Mahavidyalaya, Vallabh Vidyanagar, affiliated with Sardar Patel University. He also holds degree of Bachelor of Legislative Law (LLB) from Sheth H. J. Law College, Bhavnagar, affiliated with Maharaja Krishnakumarsinhji Bhavnagar University. He is a qualified Company Secretary by profession and an Associate member of the Institute of Company Secretaries of India. He has an experience of 5 years in the Secretarial, Legal & Compliance. He is entrusted with the responsibility of handling corporate secretarial functions and governance of our Company.

DRUGS AND CHEMICALS LIMITED

Par Drugs And Chemicals Limited

CIN: L24117GJ1999PLC035512
Registered office: 815, Nilamber Triumph, Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991021, 0278-2447013
Website: www.pardrugs.com Email: investors@pardrugs.com

NOTICE OF 23RD ANNUAL GENERAL MEETING TO MEMBERS

Notice is hereby given that the Twenty Third (23rd) Annual General Meeting ("AGM") of the Members of **PAR DRUGS AND CHEMICALS LIMITED** ("the Company") will be held on **Saturday, 10th Day of September, 2022 at 11:00 A.M.** at TaraSuns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1: To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2022 together with the report of the Board of Directors and Auditor thereon.

ITEM NO. 2: To appoint a Director in place of Mr. Falgun Vallabhbhai Savani, Chairman & Managing Director (DIN: 00198236), who retires by rotation and being eligible offer himself for re-appointment.

ITEM NO. 3: To appoint statutory auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, **M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No.: 010674C)** be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of this 23rd Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company to be held for the F.Y. 2022-23 at an annual remuneration / fees of Rs. 2,25,000/- (Rupees Two Lakh Twenty Five Thousand only) plus out of pocket expenses and taxes as applicable from time to time with the power to the Board/Audit Committee to alter and vary the terms and conditions of appointment, revision including upward revision in the remuneration during the remaining tenure."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient for implementation of the above resolution and matters connected therewith or incidental thereto including but not limited to delegation of all or any of the powers herein conferred to any Committee or any director(s) or any other officer(s) of the Company, or to settle any questions, difficulties or doubts that may arise with regard to the above resolution, without being required to seek any further clarification, consent or approval of the Members.**"**

SPECIAL BUSINESS:

ITEM NO. 4: To approve Re-classification from "Promoters/Promoter Group" category to "Public" category and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment thereof, for the time being in force and other relevant provisions, and subject to necessary approval from Stock Exchanges and other appropriate statutory authorities as may be necessary, approval of the Members be and is hereby accorded for re-classification of the following Promoter/Promoter Group from "Promoter/Promoter Group" category to "Public" category:

Sr. no.	Name of Promoter / Promoter Group	No. of equity shares held	% of paid up equity capital of held
1.	SIDDHI SILICA PRIVATE LIMITED	NIL	NIL

"RESOLVED FURTHER THAT it is hereby confirmed that the abovementioned Company –

i. does not hold together with the related person, more than ten percent of the total voting rights in the company;
ii. does not exercise control over the affairs of the company directly or indirectly;
iii. does not have any special rights with respect to the company through formal or informal arrangements including through any shareholder agreements;
iv. is not be represented on the board of directors (including not having a nominee director) of the company;
v. is not acting as a key managerial person in the company;
vi. is not 'wilful defaulters' as per the Reserve Bank of India Guidelines; and
vii. is not fugitive economic offenders.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and sign, execute and submit required documents, applications, intimations/fillings to stock exchange(s), seeking approvals from the Stock Exchanges or any other authorities and take all such steps as may be necessary, proper or expedient for implementation of the above resolution and matters connected therewith or incidental thereto including but not limited to delegation of all or any of the powers herein conferred to any Committee or any director(s) or any other officer(s) of the Company, or to settle any questions, difficulties or doubts that may arise with regard to the above resolution, without being required to seek any further clarification, consent or approval of the Members.**"**

By Order of the Board of Directors
For Par Drugs and Chemicals Limited

Place: Bhavnagar
Date: 28th July, 2022

Sd/-

Sanket B. Trivedi
Company Secretary & Compliance Officer
(Membership No: ACS: 51758)

PAR DRUGS AND CHEMICALS LIMITED
CIN: L24117GJ1999PLC035512
Registered office: 815, Nilamber Triumph, Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991021, 0278-2447013
Website: www.pardrugs.com Email: investors@pardrugs.com

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
   THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED, MUST BE RECEIVED BY THE COMPANY, DULY FILLED, STAMPED AND SIGNED, AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

   Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable, issued on behalf of the nominating organization.
2. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 setting out facts concerning the business under Item No. 4 of the Notice is annexed hereto.
5. Brief Profile of Directors seeking re-appointment at the Annual General Meeting is provided at **Annexure-A** to this Notice as prescribed under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.
6. The Register of Members and Share Transfer Books shall remain closed from **Saturday**, **3rd September, 2022** to **Saturday**, **10th September, 2022** (both days inclusive) for the purpose of annual general meeting.
7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. SEBI vide its circular dated June 8, 2018 amended regulation 40 of the Listing Regulations pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form. Members holding the shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode.
9. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
10. Members who hold shares in de-materialization form are requested to bring their demat/depository account number for identification.
11. In case of joint holders attending the Meeting only such joint holder who is higher in the order of names will be entitled to vote.

12. All the Relevant documents referred to in the accompanying notice are open for inspection by the members at the registered office of the Company on all working days, between 11:00 a.m. and 5:00 p.m. up to the date of meeting and shall be available at the website of our Company during the AGM at www.pardrugs.com

13. Members desirous of obtaining any information concerning accounts or operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting through email on investors@pardrugs.com so that the information required may be made available at the Meeting and the same will be replied by the Company suitably.

14. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their change of address, e-mail address, change in name etc. to their respective Depository Participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the members.

15. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form-SH 13 prescribed by the Government can be obtained from the Share Transfer Agent or may be downloaded from the website of the Ministry of Company Affairs.

16. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited, for consolidation into a single folio.

17. Non-Resident Indian Members are requested to inform Link Intime India Private Limited, immediately of:

a) Change in their residential status on return to India for permanent settlement.

b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited (RTA) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system will be provided by RTA.

19. Pursuant to Sections 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to Investor Education and Protection Fund ("IEPF") established by the Central Government. The shareholders who have not claimed their dividend for the financial year 2021-22 are requested to approach the Company for the payment thereof as the same will be transferred to the Investor Education and Protection Fund after the period of seven years and no claim shall lay against the Company for the said amount of unclaimed dividend so transferred. The details of unclaimed dividends are available on the Company's website at www.pardrugs.com.

Further, pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority Rules, 2016 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to Demat Account of IEPF. The Company timely sent individual intimation to all such shareholders. All such Shareholders are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to Demat Account of IEPF and no claim shall lay against the Company. The Shareholders thereafter need to claim their shares from IEPF Authority by filing E-Form-5 and by following such procedures as prescribed in the IEPF Rules (as may be amended from time to time).

20. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime India Private Limited.

21. To support the "Green Initiative in Corporate Governance" taken by the Ministry of Corporate Affairs by allowing paperless compliance and stating that service of notices / documents including Annual Report can be effected by sending the same through electronic mode to the registered e-mail addresses of the shareholders.

The notice of the 23rd AGM along with the Annual Report 2021-22 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2021-22 will also be available on the Company's website at www.pardrugs.com, websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and on the website of RTA at https://instavote.linkintime.co.in Members who would like to receive such notices / documents in electronic mode in lieu of physical copy and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail addresses:

- In respect of electronic shareholding - through their respective Depository Participants;
- In respect of physical shareholding - by sending a request to the Company's Share Transfer Agent, mentioning therein their folio number and e-mail address.
- For Permanent Registration for Demat shareholders:

  It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant or via email to RTA at ahmedabad@linkintime.co.in or at investors@pardurgs.com

22. The route map showing directions to reach the venue of the 23rd AGM is annexed.

E–VOTING (VOTING THROUGH ELECTRONIC MEANS):

1) In compliance with the provisions of section 108 of the Act read with the Companies (Management and Administration) Rules,2014 as amended from time to time, Standard 8 of the Secretarial Standards on General Meetings and in compliance with Regulation 44 of the SEBI Listing Regulations, the Company is pleased to offer the facility of voting through electronic means. The Company has made necessary arrangements with Link Intime India Private Limited (RTA) to facilitate the members to cast their votes electronically, ("remote e–voting").

2) 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 Friday, September 02, 2022,** shall be entitled to avail the facility of remote e–voting. Persons who are not members as on the cut–off date should treat this notice for information purpose only.

3) **Remote e-voting will commence at 09.00 a.m. on Tuesday, 6th September, 2022 and will end at 5.00 p.m. on Friday, 9th September, 2022,** then remote e-voting will be blocked by RTA.

4) Any person who have acquired shares of the company and becomes member of the company after the dispatch of the Annual Report and holding shares as on the cut-off date may obtain the User Id and Password by referring e-voting instructions given in the notice which is uploaded on our website at www.pardrugs.com and RTA website https://instavote.linkintime.co.in

5) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

6) The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date.

7) The Company has appointed CS Dip G. Patel, Proprietor of DG Patel & Associates, Practicing Company Secretary (Membership No. FCS: 10533; COP No: 13774), to act as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of 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 submit 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 result of the voting on the Resolutions shall be announced by the Chairman or any other person authorized by him immediately after the results are declared.

The results declared along with the Scrutinizer's Report, will be posted on the website of the Company www.pardrugs.com and on the website of the RTA https://instavote.linkintime.co.in and will be displayed on the Notice Board of the Company at its Registered Office immediately after the declaration of the results by the Chairman or any other person authorized by him and will also be communicated to the National Stock Exchange.

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

A. Individual Shareholders holding securities in demat mode with NSDL

1. Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
2. If you are 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
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-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 i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

B. Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.
4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on

LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

C. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

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

2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -
   A. User ID:
   Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

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

   C. DOB/DOI:
   Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number:
   Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

   Shareholders holding shares in **NSDL form, shall provide 'D' above*
   - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

   - Click "confirm" (Your password is now generated).

3. Click on 'Login' under **'SHARE HOLDER'** tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'.**

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon**.**
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit'.** A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes',** else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**

- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

By Order of the Board of Directors
For Par Drugs and Chemicals Limited

Place: Bhavnagar
Date: 28th July, 2022

Sd/-

Sanket B. Trivedi
Company Secretary & Compliance Officer
(Membership No: ACS: 51758)

PAR DRUGS AND CHEMICALS LIMITED
CIN: L24117GJ1999PLC035512
Registered office: 815, Nilamber Triumph, Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991021, 0278-2447013
Website: www.pardrugs.com Email: investors@pardrugs.com

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

ITEM NO. 4: To approve Re-classification from "Promoters/Promoter Group" category to "Public" category:

Mrs. Parul Sanjaybhai Patel (relative of Promoter Par Drugs And Chemicals Limited) was connected with SIDDHI SILICA PRIVATE LIMITED ("Siddhi") by holding shares and directorship in Siddhi. Hence, the Name of SIDDHI SILICA PRIVATE LIMITED was included in the Promoter Group of Par Drugs And Chemicals Limited.

At present, Mrs. Parul Sanjaybhai Patel and Mr. Sanjay J. Patel (Husband of Mrs. Parul Sanjaybhai Patel) are no longer shareholders and directors in Siddhi and hence, no longer connected with Siddhi. Further, Siddhi has no shareholding in Par Drugs And Chemicals.

Therefore, Siddhi had made an application under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for declassifying themselves as "Promoters/Promoter Group" and for reclassifying it into the category of "Public Shareholders".

Siddhi -

i. does not hold together with the related person, more than ten percent of the total voting rights in the company;
ii. does not exercise control over the affairs of the company directly or indirectly;
iii. does not have any special rights with respect to the company through formal or informal arrangements including through any shareholder agreements;
iv. is not be represented on the board of directors (including not having a nominee director) of the company;
v. is not acting as a key managerial person in the company;
vi. is not 'wilful defaulters' as per the Reserve Bank of India Guidelines; and
vii. is not fugitive economic offenders.

Based on the request received from Siddhi, the matter was discussed by the Board of Directors at their meeting held on 28th July, 2022 and Board decided to get the above Promoters/Promoter group person reclassified from the "Promoters/Promoter Group Category" to "Public Category" with the approval of stock exchanges.

Pursuant to Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Including any amendments made thereto) (hereinafter referred to as Listing Regulations") approval of Members is required by way of Ordinary Resolution for re-classification of Promoters.

The Board recommends the Ordinary Resolution set out at Item No. 4 for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

By Order of the Board of Directors
For Par Drugs and Chemicals Limited

Place: Bhavnagar
Date: 28th July, 2022

Sd/-

Sanket B. Trivedi
Company Secretary & Compliance Officer
(Membership No: ACS: 51758)

PAR DRUGS AND CHEMICALS LIMITED
CIN: L24117GJ1999PLC035512
Registered office: 815, Nilamber Triumph, Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991021, 0278-2447013
Website: www.pardrugs.com Email: investors@pardrugs.com

ANNEXURE – A

INFORMATION REQUIRED PURSUANT TO SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) AND PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015), IN RESPECT OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 23rd ANNUAL GENERAL MEETING.

Directors retiring by rotation and eligible for reappointment:

Name of Director	**Mr. Falgun Vallabhbhai Savani** 
DIN No.	00198236
Designation	Chairman and Managing Director
Date of Birth	September 24, 1974
Age	47 Years
Date of first appointment on the Board	26/02/1999 Appointed as Chairman and Managing Director w.e.f. 26/11/2018.
Qualification / Brief Resume / Expertise in specific functional area / experience	Mr. Falgun Vallabhbhai Savani, aged 47 years, is the Promoter, Chairman and Managing Director of our Company. He has been the Director of our Company since inception and was subsequently designated as Chairman and Managing Director of the Company w.e.f. November 26, 2018. He holds Bachelor's degree in Pharmacy from B. K. Modi Government Pharmacy Collage, Rajkot affiliated with Saurashtra University. He has 21 years of experience in API Industry. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.
No. of Shares held in the Company as on 31/03/2022	2645952 Equity Shares
Remuneration	45.95 Lacs plus Sitting of Rs. 0.25 Lacs for FY 2021-22
Relationship with other Directors and Key Managerial Personnel	Brother of Mr. Jignesh Vallabhbhai Savani, Director & CEO of the company and Brother-in-law of Mrs. Nayna Jignesh Savani, Non-executive Director of the company.
No of meetings of the Board attended during the year	5 (Five)
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

FORM NO. MGT- 11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Venue of Meeting: TaraSuns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India

Day, date & time: 23rd Annual General Meeting, Saturday, 10th Day of September, 2022, at 11.00 A.M.

Name of the member(s) _____

Registered address : _____

Email Id : _____

Folio No./Client Id : _____ DP ID : _____

I/We, being the member(s) of ..... equity shares of the above named company, hereby appoint

1. Name : _____

   Address : _____

   E-mail ID:_____Signature _____

   or failing him

2. Name : _____

   Address : _____

   E-mail ID:_____Signature _____

   or failing him

3. Name : _____

   Address : _____

   E-mail ID:_____Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Saturday, September 10, 2022 at 11.00 a.m. at TaraSuns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Resolution No.	Particulars of Resolution(s)	Vote	
		For	Against
ORDIANARY BUSINESS			
1	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2022 together with the report of the Board of Directors and Auditor thereon.		
2	To appoint a Director in place of Mr. Falgun Vallabhbhai Savani, Chairman & Managing Director (DIN: 00198236), who retires by rotation and being eligible offer himself for re-appointment		
3	To appoint statutory auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification (s), the resolution as an Ordinary resolution.		
SPECIAL BUSINESS			
4	To approve Re-classification from "Promoters/Promoter Group" category to "Public" category and if thought fit, to pass with or without modification(s) the Resolution as an Ordinary Resolution.		

Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a Member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a Member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signed this .....day of..... 2022

Affix Revenue stamp Here

Signature of member (s) .....

Signature of Proxy holder(s) .....

Note:

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting. A Proxy need not be a Member of the Company.
2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
3. A member may vote either for or against each resolution.

ATTENDANCE SLIP

(To be handed over at the entrance)

I/we hereby record my/our presence at the 23rd Annual General Meeting of the Company held on Saturday, September 10, 2022 at 11.00 a.m. at TaraSuns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Full name of the member attending: _____

Address: _____

Name of Proxy:_____

Regd. Folio No.:_____

DP Id:_____ **Client Id :**_____

No. Of shares held:_____

_____ _____

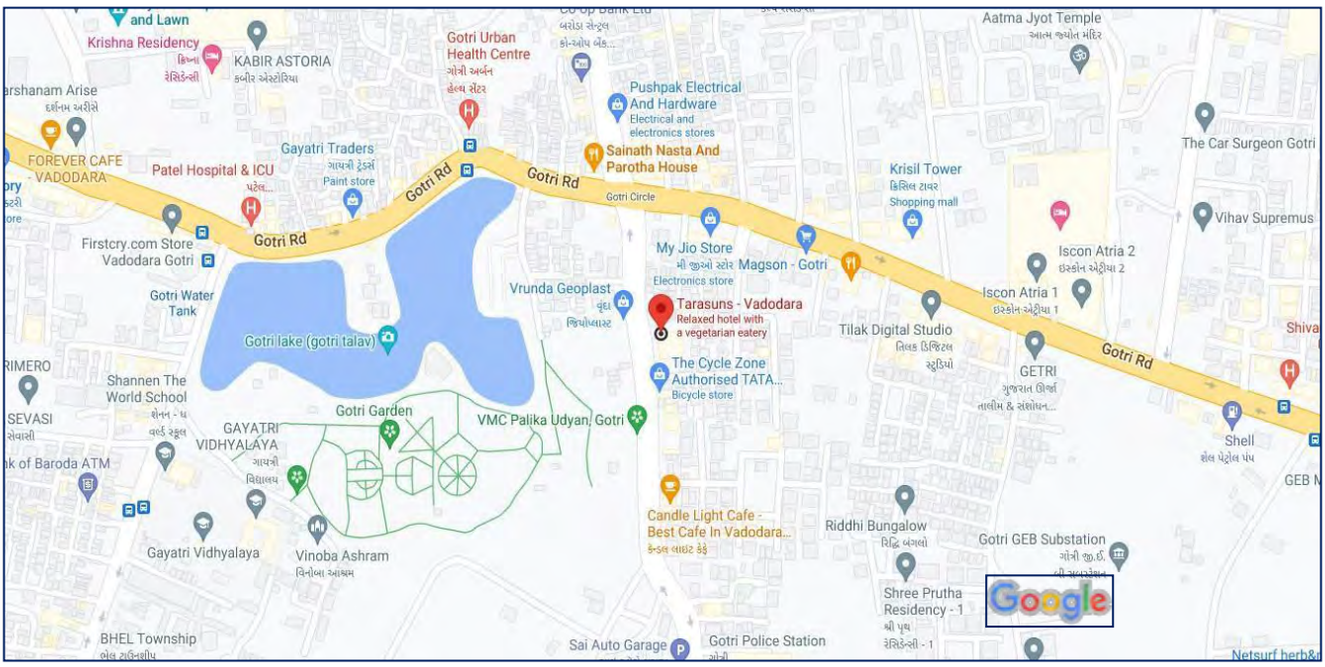
Full Name of Shareholder (In block letters) **Signature of Shareholder**

_____ _____

Full Name of Proxy (In block letters) **Signature of Proxy**

Route Map of Venue of 23rd Annual General Meeting of the Company to be held on Saturday, September 10, 2022 at 11.00 a.m. at TaraSuns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Sundaram Nagar, Gotri, Vadodara- 390021, Gujarat, India.

Google Maps



Map Link:

https://www.google.com/maps/place/Tarasuns+-+Vadodara/@22.3142548,73.136147,17z/data=!3m1!4b1!4m8!3m7!1s0x395fc90835855b19:0xf24c2e6629a29f39!5m2!4m1!1i2!8m2!3d22.3142548!4d73.1383357

Dear Members,

Your Directors have immense pleasure in presenting the Twenty Third (23rd) Annual Report on the business and operations of the Company together with the Audited Financial Statements of your Company for the financial Year ended March 31st, 2022.

The Director Report is prepared based on the standalone financial statements of the company and the Report on the performance and financial position of the Company.

1. FINANCIAL RESULTS:

(Amount in Lakhs except EPS)

Particulars	For the Year ended 31st March,2022	For the Year ended 31st March,2021
Revenue from Operations	7,507.44	6,075.13
Other Income	18.39	18.94
Total Income	**7,525.83**	**6,094.07**
Less: Total Expenses (excluding Depreciation)	5,927.39	4,538.08
Profit Before Depreciation &Tax	**1,598.44**	**1,555.99**
Less: Depreciation	328.12	281.94
Profit before extraordinary items and tax	**1,270.32**	**1,274.05**
Less: Extraordinary Items	0.00	-198.57
Profit before tax	**1,270.32**	**1,472.61**
Less:(i) Current Tax	334.50	336.10
(ii)Deferred Tax	14.49	- 24.61
Net Profit/(Loss) For The Year	**921.33**	**1,161.12**
EPS (Basic)*	7.49	18.87
EPS (Diluted)*	7.49	18.87

*worked out after bonus issued.

2. Performance Review

1. The Company is engaged in the Manufacturing business of Active Pharma Ingredients ("APIs"), and Fine Chemicals. Our product portfolio presently comprises 18 APIs and 10 Fine Chemical which are marketed domestically and exported.

2. The highlights of the Company's performance are as under:-

- Revenue from operations is increased to Rs. 7,507.44/- Lakhs during the current year compared to previous year of Rs. 6,075.13/- Lakhs i.e. the variation in the current year is approx 23.58 %.
- Net Profit after tax for the current year decreased to Rs. 921.33/- Lakhs compared to the previous year of Rs. 1,161.12/- Lakhs i.e. variation in the current year is approx -20.64 %.
- The earning per share has been decreased from Rs.18.87 to Rs.7.49 as compared to previous year i.e. various in the current year is approx. -60.31% because of increase in share capital by issuing the bonus shares during the year and extra-ordinary item included in the previous year.
- For Fiscal 2022, our domestic and international operations accounted for 76% and 24%, respectively, of our total sales.
- In June, 2021 we have started a set of new production line-up i.e. one new manufacturing block, which increases production capacity within the existing product portfolio i.e. same as per our existing product portfolio and market. More precisely, There are four Manufacturing Blocks at Bhavnagar which are for different products having a capacity of approx 9,700 MTPA. Block 1 – APIs, Block 2 - Magnesium Hydroxide, Block 3 - Fine Chemicals and Block 4 – APIs/ Fine Chemicals.

The Company is making all out efforts for presenting better& better results. The Company is also redefining its marketing strategies so as to capture increased market share. Looking to the volatile market conditions, the Company management needs to be much alert all the times to have bette business prospects and profitability.

3. IMPACT OF COVID-19:

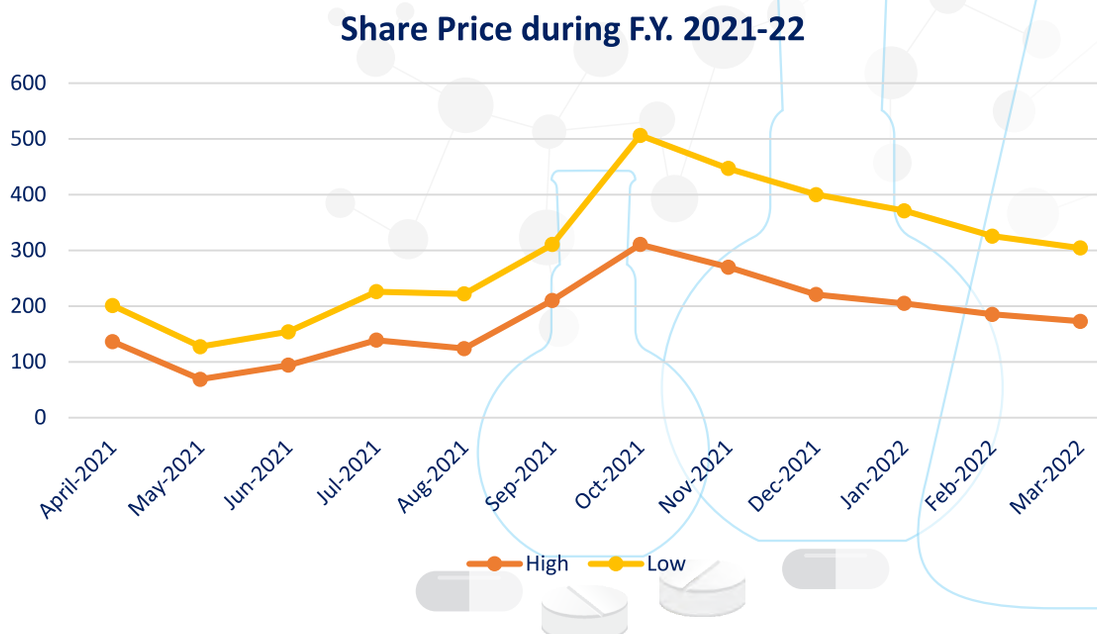
Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of COVID-19. This global pandemic significantly affects social and economic activities worldwide and as a result, the same could affect the operation of the company in terms of impacting supply chain, industrial stock demand, price of materials and availability of employees/workers. At the date of approval of the financial statements, the company has evaluated the impact of COVID-19 on its business operation and based on its review, there is no significant impact on its financial results.

4. MARKET PRICE DATA:

Our Company listed on NSE Emerge Platform having Symbol –"PAR", ISIN: INE04LG01015. The following table shows High, Low during the respective month and number of equity shares traded during each month in the FY 2021-22 on NSE*;

MONTH	HIGH	LOW	NO. OF TRADES	VOLUME	PLATFORM
April-2021	136.5	64.65	100	240000	SME
May-2021	68.9	58.45	38	152000	SME
Jun-2021	94	60.1	253	628000	SME
Jul-2021	139.05	87	353	718000	SME
Aug-2021	124	98	97	198000	SME
Sep-2021	210.45	100.15	12973	1964678	Main Board & SME
Oct-2021	310.6	195.85	16897	1390577	Main Board
Nov-2021	270	177	14607	959296	Main Board
Dec-2021	220.95	179.2	12349	389609	Main Board
Jan-2022	205	166.25	10820	347676	Main Board
Feb-2022	185.45	140.1	9776	436416	Main Board
Mar-2022	172.75	131.75	7296	461559	Main Board

*Reference: Historical data available on www.nseindia.com



5. CHANGE IN THE BUSINESS OF THE COMPANY:

Company is engaged in manufacturing business of Active Pharma Ingredients ("APIs") and Fine Chemicals and there is no change in the nature of business of the company occurred during the year.

6. DIVIDEND:

Based on the Company's performance and with the approval of the Board of Directors on 9th November, 2021, our Company paid an interim dividend at the rate of 12.50% i.e. Rs. 1.25/- per equity share of face value of Rs. 10/- each, to shareholders who were on the register of members as on 23rd November, 2021, being the record date fixed for this purpose.

Your directors don't recommend any final dividend for the year under review.

7. TRANSFER TO RESERVE:

Pursuant to provisions of Section 134(1)(j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

Further, there are no changes in Capital Reserve. During the year an amount of Rs. 921.33/- Lakhs transferred to the Surplus in the Statement of Profit & Loss whereas an amount of Rs. 1.26/- Lakhs utilized for income tax adjustment of earlier year and amount of Rs. 153.81/- Lakhs interim dividend to shareholders. Further, by capitalizing security premium amounting to Rs. 615.23/- Lakhs utilized for issue of Bonus shares during the year under review.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report are as under:

- Pursuant to resolution passed in the Extra-ordinary General Meeting of the company held on 15th April, 2021, Authorised Share Capital of the company increased from Rs. 8,75,00,000/- (Rupees Eight Crore Seventy Five Lacs Only) divided into 8750000 (Eighty Seven Lacs Fifty Thousands) Equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 12,50,00,000/- (Rupees Twelve Crores Fifty Lacs Only) divided into 12500000 (One Crore Twenty Five Lac) Equity shares of Rs. 10 /- (Rupees Ten only) each by creation of additional 3750000 (Thirty Seven Lacs Fifty Thousands) Equity Shares of Rs. 10/- (Rupees Ten Only) each ranking pari-passu in all respect with the existing Equity Shares of the Company.

- Pursuant to resolution passed in the Extra-ordinary General Meeting of the company held on 15th April, 2021, Company issued Bonus Equity Shares out of securities premium account of the Company available based on Audited Financials of the Company for the year ended on March 31, 2020 in the proportion of 1:1 i.e. 1 (One) New Equity Share of the nominal value of Rs. 10/- (Rupees Ten only) each, for every 1 (One) existing fully paid-up Equity Share of Rs. 10/- (Rupees Ten only) each. The said Bonus equity shares were allotted on 30th April, 2021 and listed and admitted to dealings on National Stock Exchange of India Limited SME Platform (i.e. Emerge) w.e.f. 11th May, 2021.

- Registered office of the company was shifted from 805, Dwarkesh Complex R.C. Dutt Road, Alkapuri, Vadodara-390007, Gujarat to 815 Nilamber Triumph, Gotri Vasna Road, Vadodara-390007 Gujarat, India w.e.f. 6th Day of May, 2021.

- Pursuant to special resolution passed by way of Postal Ballot on 23rd July, 2021 for Migration of Listing and Trading of the Equity Shares of the Company from National Stock Exchange of India Limited (NSE) SME Platform (i.e. Emerge) to Main Board of National Stock Exchange of India Limited (NSE); 12304636 Equity shares of the company listed and admitted to dealings on National Stock Exchange of India Limited (Main Board) of NSE w.e.f. 16th September, 2021.

9. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Board has adopted the observation given by internal auditor of the Company that the manual system of records shall be replaced with the computerized system so as to assess the movement of

the inventories at each level and its reports on day to day basis and the valuation of inventory system shall be replaced from the last purchase cost of raw materials to the moving weighted average.

Further, the Board has adopted procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Management of the Company and internal auditor checks and verifies the internal control and monitors them in accordance with.

10. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

As there are no any significant and material orders were passed by any regulators and/or courts and tribunals during the year under review which may have the impact on the going concern status and company's operations in future.

11. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture or Associate Company.

12. DEPOSITS:

The Company has neither accepted nor renewed any deposits falling within the purview of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time, during the year under review.

13. AUDITORS & AUDITORS' REPORT:

Statutory Auditors:

M/s. V Dhamsania & Associates, Chartered Accountants (FRN: 132499W), Statutory Auditors of the company holds the office up to the this 23rd Annual General Meeting of the company and their term ends on conclusion of 23rd Annual General Meeting.

It is recommended to appoint M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No.: 010674C), having valid Peer Review certificate, as the Statutory Auditors of the company from the conclusion of the 23rd Annual General Meeting till till the conclusion of the 24th

Annual General Meeting of the Company to be held for the F.Y. 2022-23 at an annual remuneration / fees of Rs. 2,25,000/- (Rupees Two Lakh Twenty Five Thousand only) plus out of pocket expenses and taxes as applicable from time to time with the power to the Board/Audit Committee to alter and vary the terms and conditions of appointment, revision including upward revision in the remuneration during the remaining tenure. As required under the provisions of Section 139 of the Companies Act, 2013, company has obtained confirmation from M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No.: 010674C), that their appointment, if made, would be in conformity with the limits specified in the said Section.

Board's comment on the Auditors' Report:

Audit report to the Shareholders does not contain any qualification, reservation or adverse remarks. The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and does not call for any further comment.

Secretarial Auditor:

Pursuant to provisions of Section 204 of the Companies Act, 2013, Board of Directors had appointed M/s. DG Patel & Associates, Practicing Company Secretaries (C.P. No.: 13774) as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2021-22.

Secretarial Auditor's Report:

The Secretarial Audit Report for the financial year ended 31st March, 2022 is self-explanatory and does not call for any further comments.

There is no qualification, reservations or adverse remarks made by the Secretarial Auditor.

The Secretarial Audit Report for the financial year ended 31st March, 2022 is annexed herewith as **Annexure – I** to this report.

Internal Auditor:

As per Section 138 of Companies Act 2013, every Listed Company is required to appoint an Internal Auditor or a firm of Internal Auditors.

During the year under review, M/s Siddhpura & Co., Chartered Accountants was appointed as Internal Auditors to conduct internal audit as per agreed scope of works pursuant to the provision of section 138 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

14. DETAILS OF FRAUD REPORTING BY AUDITOR:

Pursuant to provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud.

15. MAINTENANCE OF COST RECORDS & COST AUDIT:

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is required by the Company and accordingly such accounts and records are made and maintained. Requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 is not applicable to the Company.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

16.1 Composition of Board of Directors:

The Board of Directors of Company is a balanced one with an optimum mix of Executive and Non Executive Directors. The Board of the Company is headed by an Executive Chairman.

As on 31st March, 2022, the Board of Company consists of following Directors:

Sr. No.	Name of Director & DIN	Category	Age in Years	No. of Directorship in other companies	No. of membership &Chairmanship of committees in other Public Limited Company
1.	Mr. Falgun Vallabhbhai Savani DIN: 00198236	Chairman and Managing Director (Promoter)	47	NIL	NIL
2.	Mr. Jignesh Vallabhbhai Savani DIN: 00198203	CEO and Executive Director(Promoter)	44	NIL	NIL
3.	Mr. Ghanshayambhai Bhagvanbhai Savani DIN: 03055941	Whole Time Director (Promoter Group)	51	NIL	NIL
4.	Mrs. Nayna Jignesh Savani DIN: 00198189	Non- Executive Director (Promoter Group)	43	NIL	NIL
5.	Mr. Pravin Manjibhai Bhayani DIN: 08332851	Non- Executive Independent Director	50	NIL	NIL
6.	Mrs. Krishna Mitulbhai Shah DIN: 08317678	Non- Executive Independent Director	42	NIL	NIL
7.	Mrs. Kajal Chintanbhai Vaghani DIN: 08317641	Non- Executive Independent Director	42	NIL	NIL
8.	Bintal Bhaveshkumar Shah DIN: 08893054	Non- Executive Independent Director	46	NIL	NIL

Notes:

(i) Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than Par Drugs and Chemicals Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.

(ii) None of the directors are related to each other except Mr. Falgun Vallabhbhai Savani, Mr. Jignesh Vallabhbhai Savani, Mrs. Nayna Jignesh Savani, Mr. Ghanshayambhai Bhagvanbhai Savani, are related to each other.

(iii) Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

(iv) Brief profiles of each of the above Directors are given in the beginning of the report.

16.2 Key Managerial Personnel (KMP):

As on 31st March, 2022, Mr. Falgun Vallabhbhai Savani, Chairman & Managing Director; Mr. Ghanshayambhai Bhagvanbhai Savani, Whole-time Director;Mr. Jignesh Vallabhbhai Savani, Chief Executive Officer; Mr. Chintan Pratapbhai Chauhan, Chief Financial Officer and Mr. Sanket Bhupendrabhai Trivedi, Company Secretary and Compliance Officer of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013. There is no change in Key Managerial Personnel during the year under review.

16.3 Directors retiring by rotation and seeking appointment/re-appointment:

In terms of section 152 of the Companies Act, 2013, **Mr. Falgun Vallabhbhai Savani, Managin Director & Chairman (DIN: 00198236),** who retires by rotation and being eligible offers himeself for re-

appointment. Based on the performance evaluation and recommendation of the nomination and remuneration committee, the Board recommends his reappointment.

Mrs. Shilpa Falgunbhai Savani, Director (DIN: 00198250) resigned from position of Director w.e.f. 24th August, 2021.

Mrs. Bintal Bhaveshkumar Shah (DIN: 08893054) was regularized and appointed as an Independent Director of the company in the22 nd Annual General Meeting of the company held on 29th September, 2021.

16.4 Meetings of Board of Directors:

Details of the Board Meetings held during the Financial Year ended 31st March, 2022 are as under**.** The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013.

Meeting No.	Date of Board Meeting	Total no. of Directors	No. of Directors present
1/2021-22	30-04-2021	9	9
2/2021-22	10-06-2021	9	8
3/2021-22	24-08-2021	9	8
4/2021-22	09-11-2021	8	7
5/2021-22	07-02-2022	8	8

The names of members of the Board and their attendance at the Board Meetings are as under:

Name of the Directors	Number of Meetings which Director was entitled to attend	Number of Board Meetings attended during the F.Y. 2020-21
Mr. Falgun Vallabhbhai Savani	5	5
Mr. Jignesh Vallabhbhai Savani	5	5
Mr. Ghanshayambhai Bhagvanbhai Savani	5	5
Mrs. Shilpa Falgunbhai Savani*	3	3
Mrs. Nayna Jignesh Savani	5	5
Mrs. Krishna Mitulbhai Shah	5	5
Mrs. Kajal Chintanbhai Vaghani	5	3
Mr. Pravin Manjibhai Bhayani	5	5
Mrs. Bintal Bhaveshkumar Shah	5	4

** resigned w.e.f. 24th August, 2021*

16.5 Board Committees and their Meetings:

1. **Audit Committee:**

   The Audit Committee comprises of four members with three Independent Directors and one Executive Director as on 31st March, 2022.

   The Composition of theCommittee as on March 31, 20 22 and its attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	4/4
Mrs. Kajal Chintanbhai Vaghani	Non-Executive & Independent Director	Member	2/4
Falgun Vallabhbhai Savani	Chairman & Managing Director	Member	4/4
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	4/4

Meeting No.	Date of Audit Committee Meeting	Total no. of Member	No. of Member present
1/AC/2021-22	10-06-2021	4	3
2/AC/2021-22	23-08-2021	4	3
3/AC/2021-22	09-11-2021	4	4
4/AC/2021-22	07-02-2022	4	4

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 29st September, 2021.

2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of three members with two Independent Directors and one Non-executive Director as on 31st March, 2022.

The Committee met on 23rd August, 2021. The Composition of the Committee as on March 31, 2022 and its attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	1/1
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	1/1
Mrs. Nayna J. Savani	Non-Executive Director	Member	1/1

3. Stakeholder's Relationship Committee:

Company has constituted a Stakeholders Relationship Committee to redress complaints of the shareholders. The Stakeholder's Relationship Committee comprises of three members with two Independent Directors and one Non-executive Director as on 31st March, 2021.

The Committee meton 23rd August, 2021 The Composition of the Committee as on March 31, 2022 and its attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	1/1
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	1/1
Mr. Jignesh V. Savani	Executive Director & CEO	Member	1/1

4. CSR Committee:

The board of directors have formulated the CSR Committee on January 23, 2020 in order to take corporate initiative to assess and take responsibility for the company's effects on the environment and impact on social welfare.

The CSR Committeecomprises of th ree members with two Independent Directors and one Non-executive Director as on March 31, 2022.

The Committee met two times during the year i.e. on 23/08/2021 and 21/03/2022. The Composition of the Committee as on March 31, 2022 and its attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	2/2
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	2/2
Mr. Nayna J. Savani	Non-Executive Director	Member	2/2

5. Independent Director Meeting:

One Meeting of Independent Directors held on 21/03/2022 during the year under review and attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	1/1
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	1/1
Mrs. Kajal Chintanbhai Vaghani	Non-Executive & Independent Director	Member	1/1
Mrs. Bintal Bhaveshkumar Shah	Non-Executive & Independent Director	Member	1/1

16.6 Details of Remuneration paid to Directors/KMPs:

Name of Director/KMP	Designation	Remuneration / Sitting Fees* p.a. (in Lakhs)
Mr. Falgun Vallabhbhai Savani	Chairman & Managing Director	45.95 0.25*
Mr. Jignesh Vallabhbhai Savani	CEO and Executive Director	45.95 0.14*
Mr. Ghanshayambhai Bhagvanbhai Savani	Whole-time Director	45.95 0.13*
Mrs. Shilpa Falgunbhai Savani	Non- Executive Director	0.03*
Mrs. Nayna Jignesh Savani	Non- Executive Director	0.20*
Mrs. Krishna Mitulbhai Shah	Non- Executive Independent Director	0.38*
Mrs. Kajal Chintanbhai Vaghani	Non- Executive Independent Director	0.26*
Mr. Pravin Manjibhai Bhayani	Non- Executive Independent Director	0.38*
Mrs. Bintal Bhaveshkumar Shah	Non- Executive Independent Director	0.13*
Mr. Sanket Bhupendrabhai Trivedi	Company Secretary & Compliance Officer	5.32
Mr. Chintan Pratapbhai Chauhan	CFO	4.74

*Sitting Fees

16.7 Policy on appointment and remuneration to Directors, KMP & Senior Management Personnel:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is available on the website of the company www.pardrugs.com.

16.8 Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company www.pardrugs.com.

16.9 Insider Trading:

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has devised the Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. The Company Secretary is the Compliance Officer for the purpose of this code.

16.10 Familiarization Programme for Independent Director:

The Independent Directors are very enthusiastic to get involved in the activity of the Company and on continuous basis they are in constant touch with the executive directors of the Company and also they have taken part in the activity like to visit Company's plants, where plant heads appraise them of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality, CSR, Sustainability etc. Further detailed programme is available on the website of the company www.pardrugs.com.

17. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

18. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors confirming that they meet criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013and under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Pursuant to Ministry of Corporate Affairs Notification, dated October 22, 2019 all the Independent Directors of the Company have already registered themselves on IICA and also they have successfully qualified online proficiency for Independent Director's Data bank from Indian Institute of Corporate Affairs as on date this report.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTU/S 186 OF THE COMPANIES ACT, 2013:

During the reporting period, your Company has not granted any loans, guarantees or made investments or provided securities in violation of Section 186 of the Companies Act, 2013 and rules thereof. Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements forming part of this annual report.

20. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as of March 31, 2021, on its website at www.pardrugs.com/annual-reports.php The Company will also place annual return in Form No MGT-7 for FY 2021-22 on completion of ensuing annual general meeting of shareholders of the Company.

21. SHARE CAPITAL:

Authorized Share Capital:

The authorized share capital of the Company was increased from Rs. 8,75,00,000 consisting of 87,50,000 Equity Shares ofRs. 10/- each to Rs. 12,50,00,000/- divided into 1,25,00,000 Equity Shares of Rs. 10/- each vide resolution passed in the Extra-ordinary General Meeting of the company held on 15th April, 2021.

Paid up Share Capital:

Pursuant to resolution passed in the Extra-ordinary General Meeting of the company held on 15th April, 2021, Company issued Bonus Equity Shares out of securities premium account of the Company available based on Audited Financials of the Company for the year ended on March 31, 2020 in the proportion of 1:1 i.e. 1 (One) New Equity Share of the nominal value of Rs. 10/- (Rupees Ten only) each, for every 1 (One) existing fully paid-up Equity Share of Rs. 10/- (Rupees Ten only) each. The said Bonus equity shares were allotted on 30th April, 2021.

At present, paid-up equity share capital is Rs. 12,30,46,360/- consisting of 12304636 equity shares of Rs. 10/- each.

Buy Back of Securities:

The Company has not bought back any of its securities during the year under review.

Sweat Equity:

The Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares:

Pursuant to resolution passed in the Extra-ordinary General Meeting of the company held on 15th April, 2021, Company issued Bonus Equity Shares out of securities premium account of the Company available based on Audited Financials of the Company for the year ended on March 31, 2020 in the proportion of 1:1 i.e. 1 (One) New Equity Share of the nominal value of Rs. 10/- (Rupees Ten only) each, for every 1 (One) existing fully paid-up Equity Share of Rs. 10/- (Rupees Ten only) each. The said Bonus equity shares were allotted on 30th April, 2021.

Employees Stock Option Plan:

The Company has not provided any Stock Option Scheme to the employees.

22. DEMATERIALISATION OF SHARES:

100% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2022.

23. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

There were nocontracts or arrangements with related parties during the year under review under Section 188 of the Companies Act, 2013 and hence disclosure in the Form AOC-2 is not applicable. Further, the disclosure of transactions with related party for the year, as per Accounting Standard-18 Related Party Disclosures is given in Note no. 33 to the Balance Sheet as on 31st March, 2022.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act 2013, the rules made thereunder and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. This policy was considered and approved by the Board and has been uploaded on the website of the Company at www.pardrugs.com.

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

A. Conservation of Energy & Technology Absorption:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have been furnished considering the nature of activities undertaken by the company during the year under review is annexed hereto as **Annexure-II** and forms part of this report.

B. Foreign Exchange earnings and Outgo:

Foreign Earnings: Rs. 17,92,74,303/-
Foreign Outgo: Rs. 1,46,31,149/-

25. PARTICULARS OF EMPLOYEES:

During the year under review, none of the employees of the Company were in receipt of remuneration exceeding Rs. 1,02,00,000/- p.a., if employed throughout the year or Rs. 8,50,000/- p.m. if employed for part of the year. Further, statement containing particulars of employees under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Director	Remuneration (in Lakhs)	Ratio of Remuneration of director to median remuneration of employee for the FY 2021-22	% Increase/Decrease
Mr. Falgun Vallabhbhai Savani	45.95/-	29.87:1	22.21%
Mr. Jignesh Vallabhbhai Savani	45.95/-	29.87:1	22.21%
Mr. Ghanshayambhai Bhagvanbhai Savani	45.95/-	29.87:1	22.21%
Total	**137.85/-**	-	-

Note: Independent Director and other Non-executive director are entitled to sitting fees as mentioned in point no. *16.6 above.*

1. Median remuneration of employee during the year of the company is 1,53,852.00/--
2. The percentage decrease in the median remuneration of employees in the financial year is -12.55%
3. The number of permanent employees on the rolls of company are 101
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;-The employeeremuneration has declined due to change in salary structure in the Company and Managerial remuneration has increased due to approval of shareholder in the 22nd AGM of the Company.
5. The Company hereby affirm that the remuneration is as per remuneration policy of the Company

Information pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms part of this report pursuant to proviso to Section 136(1) of the Act. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at the registered office address of the Company

26. RISK MANAGEMENT POLICY:

At Par Drugs and Chemicals Limited, risks are measured, estimated and controlled with the objective to mitigate adverse impact. Your company's fundamental approach to risk management includes to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The Company has adopted a risk management policy which inter alia, sets out our approach towards risk assessment, risk management and risk monitoring, which is periodically reviewed by the Board. The said policy is available at www.pardrugs.com/policies-par-drugs-and-chemicals.php

27. CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-III** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to thesaid Report, which is a part of this report.CSR Policy is available on the Company's website on www.pardrugs.com/policies-par-drugs-and-chemicals.php

28. VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.pardrugs.com/policies-par-drugs-and-chemicals.php

29. HUMAN RESOURCES:

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals.

30. CORPORATE GOVERNANCE:

Your company is committed to good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance SEBI (LODR) Regulations, 2015 are complied with. The Corporate Governance Report with the Auditors' Certificate thereon, and Management Discussion and Analysis Report are attached, and Corporate Governance Report is attached as an **Annexure-IV.**

31. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

32. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Internal Complaint Committee is set up to redress complaints received regularly. There were no complaints received and reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

33. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

a) In the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
b) 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 at the end of the financial year and of the profit and loss of the Company for that period;
c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) The Directors had prepared the annual accounts on a 'going concern' basis;
e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

34. COMPLIANCE WITH SECRETARIAL STANDARDS:

The company has complied with the applicable Secretarial Standards issued time to time by the Institute of Company Secretaries of India.

35. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

Not applicable as no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

36. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

Not applicable.

37. ACKNOWLEDGMENT:

Your Directors would like to express their sincere appreciation for the assistance and cooperation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For & On Behalf of Board of Directors
PAR DRUGS AND CHEMICALS LIMITED

Date: 28th July, 2022
Place: Bhavnagar

Sd/-	**Sd/-**
.....	.....
(Falgun V. Savani)	**(Jignesh V. Savani)**
Chairman & Managing Director	**Director & CEO**
(DIN: 00198236)	**(DIN: 00198203)**

Annexure - I

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31ST March, 2022

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

To,
The Members,
PAR DRUGS AND CHEMICALS LIMITED
815, Nilamber Triumph, Gotri Vasna Road,
Vadodara- 390007 Gujarat, India.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2022 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 Bye-laws framed thereunder;

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

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

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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **Not applicable to the company during Audit period;**
e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **- Not applicable to the company during Audit period;**
f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and amendments from time to time regarding the Companies Act and dealing with client**;**
g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **- Not applicable to the company during Audit period;**
h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the company during Audit period;**

(vi) Other laws applicable to the Company as per the representations made by the Company, its officers and authorized representatives during the conduct of audit namely:

a. Environment (Protection) Act, 1986 and Rules made thereunder;
b. Hazardous Waste (Management and Handling) Rules, 1989;
c. Hazardous andOther Wastes (Management and Transboundary Movement) Rules, 2016;
d. Air (Prevention and Control of Pollution) Act, 1981;
e. Water (Prevention and Control of Pollution) Act, 1974;
f. The Drugs and Cosmetics Act, 1940 as amended from time to time;
g. The Drugs and Cosmetic Rules, 1945 as amended from time to time;
h. The Factories Act, 1948 and Rules made thereunder;
i. Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 and Rules made thereunder;
j. Labour, Employee, Industrial and other Laws to the extent applicable to the Company.

The examination and reporting on abovementioned laws and rules are limited to whether there are adequate systems and process in place to monitor and ensure compliance with those laws.

We have also examined compliance with the applicable clauses of the following:
(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings;
(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Listing Agreements entered into by the Company with Stock exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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 Board Meetings and committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the Audit period following events/actions have been occurred, which have a major bearing on company's affairs in pursuance of the above referred Laws, Rules, regulations, guidelines, Standards etc:

1. Pursuant to ordinary resolution passed in the Extra-ordinary General Meeting of the company held on 15th April, 2021, Authorised Share Capital of the company increased from Rs. 8,75,00,000/- (Rupees Eight Crore Seventy Five Lacs Only) divided into 8750000 (Eighty Seven Lacs Fifty Thousands) Equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 12,50,00,000/- (Rupees Twelve Crores Fifty Lacs Only) divided into 12500000 (One Crore Twenty Five Lac) Equity shares of Rs. 10 /- (Rupees Ten only) each by creation of additional 3750000 (Thirty Seven Lacs Fifty Thousands) Equity Shares of Rs. 10/- (Rupees Ten Only) each ranking pari-passu in all respect with the existing Equity Shares of the Company.

2. Pursuant to ordinary resolution passed in the Extra-ordinary General Meeting of the company held on 15th April, 2021, Company issued Bonus Equity Shares out of securities premium account of the Company available based on Audited Financials of the Company for the year ended on March 31, 2020 in the proportion of 1:1 i.e. 1 (One) New Equity Share of the nominal value of ₹ 10/- (Rupees Ten only) each, for every 1 (One) existing fully paid up Equity Share of ₹ 10/- (Rupees Ten only) each. The said Bonus equity shares were allotted on 30th April, 2021 and listed and admitted to dealings on National Stock Exchange of India Limited SME Platform (i.e. Emerge) w.e.f. 11th May, 2021.

3. Registered office of the company was shifted from 805, Dwarkesh Complex R.C. Dutt Road, Alkapuri, Vadodara-390007, Gujarat to 815 Nilamber Triumph, Gotri Vasna Road, Vadodara-390007 Gujarat, India w.e.f. 6th Day of May, 2021.

4. Pursuant to special resolution passed by way of Postal Ballot on 23rd July, 2021 for Migration of Listing and Trading of the Equity Shares of the Company from National Stock Exchange of India Limited (NSE) SME Platform (i.e. Emerge) to Main Board of National Stock Exchange of India Limited (NSE); 12304636 Equity shares of the company listed and admitted to dealings on National Stock Exchange of India Limited (Main Board) of NSE w.e.f. 16th September, 2021.

FOR DG PATEL & ASSOCIATES
Company Secretaries

Place: Bhavnagar
Date: 07/05/2022
UDIN: F010533D000283377

Sd/-

Dip G. Patel
(Proprietor)
FCS: 10533
C.P. No.: 13774
PR: 1839/2022

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

'Annexure A'

To,
The Members
PAR DRUGS AND CHEMICALS LIMITED
815, Nilamber Triumph, Gotri Vasna Road,
Vadodara- 390007 Gujarat, India.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
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 procedure 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 DG PATEL & ASSOCIATES
Company Secretaries

Sd/-

Dip G. Patel
(Proprietor)
FCS: 10533
C.P. No.: 13774
PR: 1839/2022

Place: Bhavnagar
Date: 07/05/2022
UDIN: F010533D000283377

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

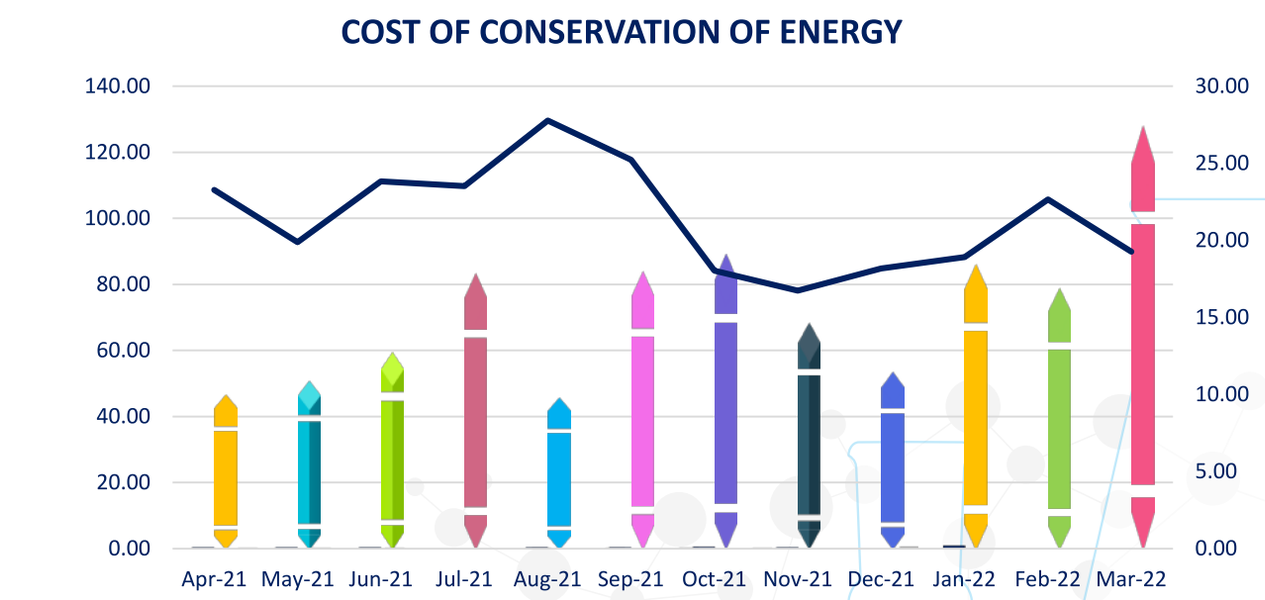
(A) Conservation of energy-

(i) the steps taken or impact on conservation of energy:

The Company is engaged in the Manufacturing business of Active Pharma Ingredients ("APIs"), Antacid Molecules and other chemical and pharmaceuticals products. Our product portfolio presently comprises 15 APIs and10 Fine Chemical which are marketed domestically and exported. The use of energy is substantial in the manufacturing process of the company. The company has taken various measures to minimize consumption of energy, to optimize productivity and also to conserve energy and making best use of the resources. A considerable amount of time and effort was earmarked for conserving power across all the plants. Details of the energy consumption for the F.Y. 2021-22 are as under:

Electricity		Coal		Diesel	
UNIT (In KWH)	Total Cost – (Rs. In Lakh)	UNIT (In MT)	Total Cost (Rs. In Lakh)	UNIT (In LITER)	Total Cost (Rs. In Lakh)
3404769	257.28/-	8145.205	873.98/-	3600	3.42/-

Graph showing the month wise cost of conservation of energy (Rs. In Lakh)



	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Diesel	0.36	0.37	0.39	0.00	0.40	0.40	0.42	0.37	0.00	0.73	0.00	0.00
Coal	46.57	50.84	59.39	83.39	45.66	83.91	89.26	68.44	53.49	85.98	78.97	128.11
Electricity	23.28	19.88	23.82	23.52	27.77	25.23	18.02	16.73	18.18	18.92	22.65	19.26

(ii) the steps taken by the company for utilizing alternate sources of energy –

During the financial year 2021-22, solar panel generated the electrical energy (161.71 MWh) which equals to reduction of CO2 emission of 161.71 T.

(iii) the capital investment on energy conservation equipments – Nil

(B) Technology absorption-

(i) The efforts made towards technology absorption –

The efforts made towards technology absorption and the benefits the benefits derived there from are as follows:

LIST OF MODIFICATION WORK CARRIED OUT DURING THE FINANCIAL YEAR 2021-22		
SR. NO.	Work Description	Savings (In Rs.) Per Annum
1	Silica Plant 20 T - CFHAG Coal feeding Blower replacement work Old 5 HP Blower removed and New 7.5 HP Blower fitting done (For air inlet flow improvement and tube shell safety)	90,000/-
2	Old Plant I D Blower motor connected with New V F D New V F D Installed in I D Blower circuit (For reduction of electric power consumption and motor safety)	2,27,940/-
3	Old Submersible Pump replaced by New Mono block Pump in R W T P Tank area. Old submersible Pump removed and new 20 HP Mono block fitting done. (Reduce 7 ampere electrical load and also reduce maintenance work)	3,00,000/-
4	Installation of New Gas Fired Continues Retort furnace in Silica Plant for H T - Silica product (Improvement in Product Quality as well as quantity and Reduction in furnace operation man power)	7,20,000/-
5	Installation of Jacketed Feed screw conveyor unit in Gas Fired Retort furnace finish product collection line. 2 no's water cooled feed unit fitting done. (For reduction in finish product cooling time)	1,20,000/-
6	Installation of small Conveyor Belt and Mixer in Old Plant Canteen area Filter press for further Cake processing (Reduce Cake collection and transportation time and reduce man power)	1,80,000/-

(ii) the benefits derived like productimprovement, cost reduction, product development or import substitution – as mentioned above.

(iii) imported technology (imported during the last three years reckoned from the beginning of the financial year)- NIL

(iv) the expenditure incurred on research & development: Rs. 1,47,415/-

For & On Behalf of Board of Directors
PAR DRUGS AND CHEMICALS LIMITED

Date: 28th July, 2022
Place: Vadodara

Sd/- **Sd/-**

…… …….

(Falgun V. Savani) **(Jignesh J. Savani)**
Chairman & Managing Director **Director & CEO**
(DIN:00198236) **(DIN:00198203)**

ANNUAL REPORT ON CSR ACTIVITIES

Annexure - III

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

Company vision is to empower communities by connecting people by recognizing economic organs of society and draw on societal resources, it is Company's belief that its performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing societal sustainability. Company believes that in the strategic context of business, enterprises possess beyond mere financial resources, the transformational capacity to create game-changing development models by unleashing their power of entrepreneurial vitality, innovation and creativity. In line with this belief, company will continue crafting unique models to generate livelihoods and environmental capital. Such Corporate Social Responsibility ("CSR") projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and environmental replenishment. These initiatives are independent of the normal conduct of Company's business. Programmes, projects and activities (collectively "CSR Programmes") carried out in this regard are the subject matter of this Policy.

The key purpose of this Policy is to:

Define governance structure for CSR management within the Company.
Serve as a guiding document aiding in identification, execution and monitoring the CSR projects.
Describe the treatment of surpluses from CSR activities
Outline the development areas in which the Company shall get involved in

Scope of the Policy : This Policy applies to all CSR projects that will be undertaken by the Company and shall fulfill all the requirements of Section 135 of the Companies Act, 2013. The Company shall ensure all these activities are over and above the normal course of business and are in line with Schedule VII of the Companies Act, 2013. This Policy will be periodically reviewed and updated in line with the relevant codes of legislation and best practices that can be adopted by the Company.

Policy: It is Company's policy to direct Company's CSR Programmes, inter alia, towards achieving one or more of the following:

1. To promote education –
    a. By way of promoting digital literacy in the rural villages around Bhavnagar, Gujarat or within the state of Gujarat especially in the primary schools, government Institutes etc. by Contributing towards innovative learning, technical assistance with latest equipments like computers, projectors, Interactive flat panel, building or development of digital class etc. and help students to learn in facilitative environment;
    b. Offering scholarships to the students of collages/universities for supplying study materials, instruments for practical experiments, arranging Industry visit at our Company etc. as we endeavor to support education initiatives and give wings to students' dreams especially to the students of Masters.
    c. Offering scholarship to the PHD students for helping them viz their research and producing a thesis of their specialization.
    d. Any other educational activities for the promotion & development of education sector as deemed fit which will fall within the CSR activities as per Companies Act, 2013.

2. To promote health care including preventive health care and sanitation in the local areas nearer to the factory site of the company and such other areas as may be determined by the CSR committee.

3. To promote health care by way of contributions to PM CARES Fund, State Disaster Management Authority to combat COVID-19 or any other fund set up by the government and spending CSR funds for COVID-19 related activities etc.

4. To undertake any of the CSR activities as prescribed under Schedule VII of the Companies Act, 2013.

Implementation: To implement the Company's CSR Programmes through Company personnel or through external implementing agencies or through Trusts, Society and Section 8 companies that may be established by the Company from time to time. In such cases, the Company will specify the CSR Programmes which may be undertaken by those Trusts in accordance with their Objects and administrative and accounting processes laid down in the respective Trust Deeds/ Memorandum and Articles of Association.

Governance: Every year, the CSR Committee will place for the Board's approval, a CSR Plan delineating the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary. The CSR Committee will assign the task of implementation of the CSR Plan within specified budgets and timeframes to such persons or bodies as it may deem fit. The persons/bodies to which the implementation is assigned will carry out such CSR Programmes as determined by the CSR Committee within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon at such frequency as the CSR Committee may direct. The CSR Committee shall review the implementation of the CSR Programmes once in every six months and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy. At the end of every financial year, the CSR Committee will submit its report to the Board.

CSR Expenditure: CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR Programmes undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR Programmes shall be used for CSR. Accordingly, any income arising from CSR Programmes will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

The above CSR Policy is available at our website link at http://pardrugs.com/pdf/policies/Final_CSR_POLICY.pdf

2. **Composition of the CSR committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Pravin Manjibhai Bhayani	Chairman, Independent, Non-Executive Director	2	2
2	Mrs. Krishna Mitulbhai Shah	Member, Independent, Non-Executive Director	2	2
3	Mrs. Nayna Jignesh Savani	Member, Non-Independent, Non-Executive Director	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company**

Composition of the CSR committee shared above and is available on the Company's website on http://pardrugs.com/corporate-governance-committee.php

CSR policy - http://pardrugs.com/pdf/policies/Final_CSR_POLICY.pdf

CSR projects - Available in the section of social care towards the society within the annual report and at our website at www.pardrugs.com

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

As per Rule (3) (a) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, Every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or

more, and which have been completed not less than one year before undertaking the impact study. Hence, Company is out of purview of this rule due to the less CSR obligation i.e. less than ten crore rupees for the F.Y. 2021-22

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in `)	Amount required to be setoff for the financial year, if any (in `)
	-	NIL	NIL

6. **Average net profit of the Company as per Section 135(5):** Rs. 7,37,46,131 /-

7. (a) **Two percent of average net profit of the Company as per section 135(5) :** Rs. 14,74,923 /-

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

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

   (d) **Total CSR obligation for the financial year (7a+7b-7c) :** Rs. 14,74,923 /-

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

Total Amount Spent for theFinancial Year. (In Rs.)	Amount Unspent				
	Total Amount transferred to Unspent CSR Accountas per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
14,96,325	NIL	-	-	NIL	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the project		Project duration	Amount allocated for the project (In Rs.)	Amount spentin the current financial Year (In Rs.)	Amount transferred to Unspent CSR Account forthe project as per Section135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list ofactivities in scheduleVII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project	Mode of implementation -Direct (Yes/No)	Mode of implementation - Throughimplementing agency	
				State	District			Name	CSR registration number
1	**Project:-"Niramay"** To provide truly world class health care to diabetic patients at nominal charges, To design a one year package for diabetic patients which consists of diagnostic tests and treatment for various parts of body which are affected by diabetes.	(i)	Yes	Gujarat	Rajkot	11,00,000	No	Rotary Club of Rajkot Midtown Charitable Trust	CSR00015458
2	**Project:- "Samvedana"** To provide required dental equipments, medicines and basic need to start the Dental Department.	(i)	Yes	Gujarat	Bhavnagar	3,96,325	No	Indian Red Cross Society - Bhavnagar	CSR00011760
	Total	-	-	-	-	**14,96,325**	-	-	-

(d) **Amount spent in Administrative Overheads: NIL**

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

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 14,96,325/-**

(g) **Excess amount for set off, if any. NIL**

Sr. No.	Particular	Amount (In Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	14,74,923
(ii)	Total amount spent for the Financial Year	14,96,325
(iii)	Excess amount spent for the financial year [(ii)-(i)]	21,402
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	21,402

9. (a) **Details of Unspent CSR amount for the preceding three financial years: Not Applicable**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account underSection 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified underSchedule VII as per Section 135(6), if any			Amount remaining to be spent insucceeding financial years
				Name of the Fund	Amount	Date of transfer	
-	-	NIL	-	-	NIL	-	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project wascommenced	Project duration	Total amount allocated for theproject	Amount spent on the project in the reporting FinancialYear	Cumulative amountspent at the end of reporting FinancialYear	Status of the project - Completed / Ongoing
-	-	-	NIL	-	NIL	NIL	NIL	-

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

(a) **Date of creation or acquisition of the capital asset(s) : None**

(b) **Amount of CSR spent for creation or acquisition of capital asset : Nil**

(c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable**

(d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable**

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) : Not Applicable**

Sd/-
(Falgun V. Savani)
Chairman and Managing Director
(DIN: 00198236)

Sd/-
(Jignesh V. Savani)
Director & Chief Executive Director
(DIN: 00198203)

Sd/-
(Mr. Pravin M. Bhayani)
Chairman of CSR Committee
(DIN: 08332851)

Report on Corporate Governance

1. Company's Philosophy on Corporate Governance:

Your Company's Corporate Governance philosophy is based on transparency, accountability, values and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth and value creation. Your Company has a strong legacy of fair, transparent and ethical governance practices and its efforts in these regard. The commitment to uphold highest standards of corporate governance still continues post listing of the Company in May 16, 2019 and September 16, 2021 Listing of equity shares of Par Drugs And Chemicals Limited on Capital Market Segment (Main Board) pursuant to Migration from SME Emerge platform, the Company is in compliance with all the norms & disclosure requirements as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Company has adopted a Code of Conduct for Board Members and Senior Management including Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('the Act') as well. The Company has taken all necessary steps to ensure the Rights of Shareholders and seek approval of the shareholders as and when required as per the provisions of the Companies Act, 2013 or other applicable legislations. The Company ensures timely and complete dissemination of information on all matters which are required to be made public. The website of the Company and the Annual Report of the Company contain exhaustive information regarding every aspect of the functioning, financial health, ownership and governance practices of the Company. Democratization of information increases scrutiny of corporate actions and raises the standards of governance. All disclosures by Company are made in line with the formats prescribed by the concerned regulatory authority in respect of accounting, financial and non-financial matters.

2. Board of Directors

A. Composition of Directors

The Board of Directors along with its Committees provide leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board of Company comprises of Executive and Non-Executive Directors (which include Independent Directors, including further an Independent Woman Director). Independent Directors are eminent persons with skills in diverse areas like business, accounting, marketing, finance, administration, etc. The composition of Board of Directors represents optimal mix of professionalism, qualification, knowledge, skill sets, track record, integrity, expertise and diversity. The Board of Directors, as on March 31, 2022, comprised of 8 Directors, out of which 3 was Executive Director ("ED") out of which 1 was Chairman & Managing Director, 1 was Whole time director and 1 was Director & CEOand ; 5 were Non-Executive Directors ("NEDs"), which includes 4 Independent Directors ("IDs") out of which 3 women Independent Director and 1 was Non-Executive Non-Independent Director. The Chairman of the Board is a Executive and half of the total number of Directors comprises of Non-Executive & Independent Directors. Detailed profile of our Directors is available on our website at www.pardrugs.com The terms and conditions of appointment of

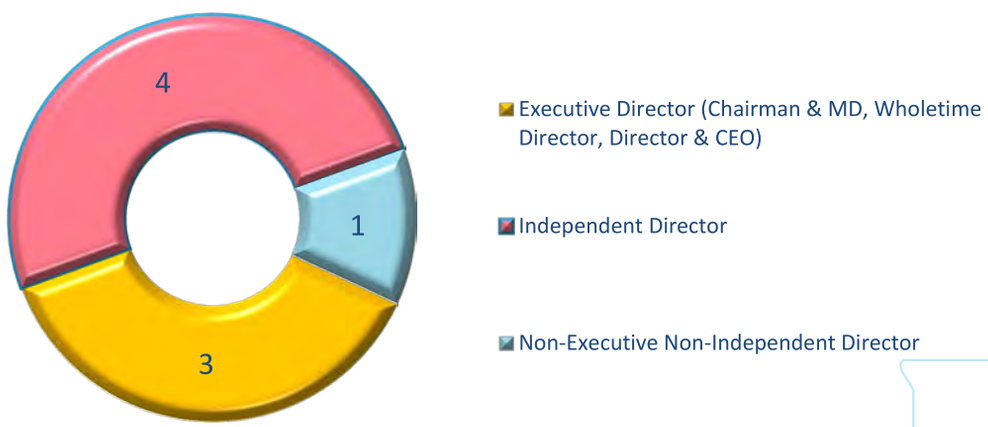
Independent Directors are hosted on the website of the Company at http://pardrugs.com/policies-par-drugs-and-chemicals.php In India, the Securities and Exchange Board of India (SEBI) regulates corporate governance for listed companies through SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Listing Regulations mandate the following:

For a company does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors: : **Complied**

The Board of directors of the top 500 listed entities shall have at least one independent woman director by April 1, 2019: **Complied, though we are not within the of top 500 Listed entity**

The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Act.

Board Composition as on March 31, 2022



None of the Directors on the Board:

• holds directorships in more than ten public companies;
• serves as Director or as Independent Directors (ID) in more than seven listed entities; and
• who are the Executive Directors serves as IDs in more than three listed entities.

The Chairman of the Board is an Executive Director. In the judgment of the Board of Directors of the Company, all the Independent Directors as mentioned below fulfill the conditions specified in these regulations and are independent of the management:

- Mr. Pravin Manjibhai Bhayani, Independent & Non-executive Director
- Mrs. Krishna Mitulbhai Shah, Independent & Non-executive Director
- Mrs. Kajal Chintanbhai Vaghani, Independent & Non-executive Director
- Mrs. Bintal Bhaveshkumar Shah , Independent & Non-executive Director

None of the Directors on the Board holds positions in any Committees in other public companies as on March 31, 2022. None of the Directors is related to each other except as mentioned below:

Name of the Director	Name of the Other Director	Relation
Falgun Vallabhbhai Savani	Jignesh Vallabhbhai Savani	Brother
Jignesh Vallabhbhai Savani	Nayna Jignesh Savani	Spouse
	Falgun Vallabhbhai Savani	Brother
Ghanshyam Bhagvanbhai Savani	Falgun Vallabhbhai Savani	Cousin Brother
	Jignesh Vallabhbhai Savani	Cousin Brother
Nayna Jignesh Savani	Jignesh Vallabhbhai Savani	Spouse

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of theSEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

B. Board Meetings and attendance

The Board / Committee Meetings are held as per the annual calendar set out well in advance with concurrence of all the Directors, to ensure 100% participation in the meetings. Meetings were held through video conferencing as per the prescribed, guidelines,after giving adequate notice to that effect to the Board Members. All the meetings are conducted as per well designed, and structured agenda and in accordance with the requirements under the Companies Act, 2013,,("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards prescribed by ICSI. Agenda with detailed explanatory notes for the Board / Committee Meetings are set out by the Company Secretary in consultation with the Chairman and Managing Director ("MD"). The Board has complete access to any information within the Company. Agenda papers with minutes of previous meeting, committee meetings & also other information/proposals with detailed notes/background information with applicable regulatory provisions and requisite disclosures, are circulated prior to the meeting, thereby enabling the Board to take decisions on an informed basis. Apart from the Board members, the Company Secretary attend all the Board Meetings. Detailed presentation is made by the Management in each meeting to apprise the Board of important developments in the industry, business segments, operations, capex, sales & marketing, products, HR initiatives, important developments, regulatory changes etc.

Five Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

April 30, 2021 ; June 10, 2021; August 24, 2021; November 09, 2021 and February 07, 2022.

The necessary quorum was present for all the meetings.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), details regarding name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein below.

Attendance of each Director at Board Meeting and the last Annual General Meeting (AGM) and the number of Companies and Committees where he/she is Director/Member are as under.

Name of Director & Designation	Category	No. of Board Meeting attended during FY 2021-22	Attendance at the last AGM held on September 29, 2021	No. of Directorship in other Public Companies		No. of Committees Positions held in other Public Companies (Other than Par Drugs And Chemicals Limited)		No. of Committees Positions held in other Public Companies (Other than Par Drugs And Chemicals Limited)
				Chairman	Member	Chairman	Member	
Mr. Falgun Vallabhbhai Savani Chairman & Managing Director	Non-Independent, Executive Director, Promoter	5	YES	-	-	-	-	-

Mr. Jignesh Vallabhbhai Savani Executive Director & CEO	Non-Independent, Executive Director, Promoter	5	YES	-	-	-	-	-
Mr. Ghanshayambhai Bhagvanbhai Savani, Whole-time Director	Non-Independent, Executive Director, Promoter Group	5	YES	-	-	-	-	-
Mrs. Nayna Jignesh Savani, Non-Executive Director	Non-Independent, Non-Executive, Promoter Group	5	YES	-	-	-	-	-
Mrs. Krishna Mitulbhai Shah, Independent Director	Independent, Non-Executive	5	YES	-	-	-	-	-
Mrs. Kajal Chintanbhai Vaghani, Independent Director	Independent, Non-Executive	3	YES	-	-	-	-	-
Mr. Pravin Manjibhai Bhayani, Independent Director	Independent, Non-Executive	5	YES	-	-	-	-	-

Mrs. Bintal Bhaveshkumar Shah	Independent, Non-Executive (Regularized w.e.f 29/09/2021)	4	YES	-	-	-	-	-
Mrs. Shilpa Falgunbhai Savani*	Non-Independent, Non-Executive, Promoter Group	3	YES	-	-	-	-	-

*Mrs. Shilpa Falgunbhai Savani (DIN: 00198250), Non-executive, Non-Independent Director tender her resignation voluntarily from the position of Non-Executive Director of the Company with effect from closure of business hours on Tuesday, 24th August, 2021.

None of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

During FY 2021-2022, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

C. Directors retiring by rotation:

Mr. Falgun Vallabhbhai Savani, Chairman & Managing Director (DIN: 00198236), who retires by rotation and being eligible offer himself for re-appointment. As per Regulation 36 of the Listing Regulations, brief profile of Director seeking re-appointment at the forthcoming AGM, is annexed to the Notice convening the AGM and forming part of this Annual Report.

D. Independent Directors meeting & Familiarisation programme

All the Independent Directors fulfill the independence criteria laid down under the Listing Regulations and as per opinion of the Board, they are independent of the management.

During FY 2021-22 under review, one meeting of IDs was held on March 21, 2022 and was chaired by lead Independent Director, Mr. Pravin M. Bhayani and attended by all IDs. The IDs reviewed all the

matters as per Schedule IV of the Act. The meeting was informal, enabling the IDs to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors. The IDs expressed satisfaction at the robustness of the evaluation process, overall functioning of the Board, openness and transparency of the Board deliberations on business issues and the agenda items as also the information and disclosures made to IDs. They noted that the suggestions made by them were implemented satisfactorily.

Familiarisation program for IDs enables them to understand the Company, its business, regulatory framework in which it operates, update them about newer challenges, risks and opportunities in the business, helps them in lending perspective to strategic direction of the company and equips them to discharge their role & contribute effectively as a Director of the Company. The Company has an on-going familiarization process for IDs. Departmental Heads and executives from different functions give presentation to the IDs to familiarise them with their areas of operations.

IDs are updated through presentations and discussions on overall economic trends, pharma industry developments, legal and regulatory amendments, R&D, operations, marketing, finance, HR, etc. and various initiatives taken/proposed to be taken to bring about an overall growth in the performance of the Company. Familiarisation programs conducted for IDs, have been put on the website of the company. The link can be accessed at: http://pardrugs.com/familiraisation-programme.php

E. Performance evaluation of Board, Committees and Directors

Pursuant to the provisions of the Act and the Listing Regulations and as suggested by the Nomination and Remuneration Committee ("NRC"), the Board carried out annual performance evaluation of its own, various Committees and of all the Directors individually. Performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole was also carried out by the IDs at a separate meeting. Performance evaluation of Executive Directors, IDs, Chairman, Board as a whole and of the Board Committees was done based on the following parameters:

Chairman: Knowledge & skill competence, leadership effectiveness, managing relationship, providing guidance & counselling, ensuring effectiveness of Corporate Governance practices, promoting continual training & development of Directors etc.

Board committees: Composition & terms of reference, cohesive relationship with management, adequate independency, periodicity of meetings, bringing objectivity, ensuring adherence to company policies, ensuring efficiency of external auditors etc. Evaluation sheets containing parameters were circulated online to the Board members who responded the same and results were collated. Performance evaluation done by the Board and IDs revealed an "Outstanding" rating for the Board as a whole

Board as a whole: Composition & attributes, establishment of vision & mission, creating value for stakeholders, timeliness and appropriateness of ongoing development programmes to enhance skills, strategic perception and business acumen in critical matters, succession planning, corporate governance, stakeholder value and responsibility, providing leadership & directions etc.

Executive Directors: Anticipating business trends, strategy formulation and execution, team-building, skillset & knowledge, statutory compliances, ethical standards, risk mitigation,

sustainability, financial planning & performance, succession planning, interface with industry forums etc.

Independent Directors: Effective participation, integrity and probity, objectivity, bringing independent judgement, time devotion, protecting interest of shareholders, domain knowledge contribution, personal attributes etc.

F. Skills / expertise / competencies of Directors

The Board comprises of competent members who possess repertoire of skills, expertise and competencies that permits them to make effective contributions to the Board and its Committees. The Board has identified the following skills / expertise / competencies fundamental for its effective functioning and below table demonstrates skill & competencies possessed by Directors:

SKILLS / EXPERTISE / COMPETENCIES	FALGUN SAVANI	JIGNESH SAVANI	GHANSHYAM SAVANI	PRAVIN BHAYANI	KRISHNA SHAH	KAJAL VAGHANI	BINTAL SHAH	NAYNA SAVANI
Strategy and Planning	✓	✓	✓	✓		✓		✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓
Leadership & Management	✓	✓	✓	✓				✓
Management & administration	✓	✓	✓	✓	✓	✓	✓	✓
Accounting & Finance	✓	✓		✓	✓	✓		
Sustainability	✓	✓	✓	✓	✓	✓	✓	✓
Relationship & CSR	✓	✓	✓	✓	✓	✓	✓	✓

G. Legal Compliance

The Board has periodically reviewed legal compliance and monitor and ensure compliance with all applicable laws and regulatory requirements applicable to the Company. The Company has done best at its possible to be a Compliance driven Company covers all important functions.

H. Equity shares of the Company held by the Directors as on March 31, 2022 are given below:

Name	Category	No. of equity shares held
Mr. Falgun Vallabhbhai Savani	Non- Independent, Executive Director, Promoter	2645952
Mr. Jignesh Vallabhbhai Savani	Non- Independent, Executive Director, Promoter	2692440
Mr. Ghanshayambhai Bhagvanbhai Savani	Non- Independent, Executive Director, Promoter Group	802284
Mrs. Nayna Jignesh Savani	Non- Independent,	189384

	Non-Executive, Promoter Group	
Mrs. Krishna Mitulbhai Shah	Independent, Non-Executive	0
Mrs. Kajal Chintanbhai Vaghani	Independent, Non-Executive	0
Mr. Pravin Manjibhai Bhayani	Independent, Non-Executive	0
Mrs. Bintal Bhaveshkumar Shah	Independent, Non-Executive	0

The Company has not issued any convertible instruments.

I. Code of Conduct

Board of Directors have laid down Code of Conduct setting forth legal and ethical standards to be followed by Directors and Senior Management ("the Code"). The Code lays emphasis amongst other things, on the integrity at workplace and in business practices, honest and ethical personal conduct, diversity, fairness and respect etc which is expected to be followed by the Directors and Senior management. The Code has been posted on the website of the Company atPolicy section of under the tab of Investors at www.pardrugs.com. The Directors & Senior Management have made disclosures to the Board confirming that there are no material financial and commercial transactions between them and the Company which could have potentialconflict of interest with the Company. A declaration to that effect signed by the Managing Director is annexed to this report.

J. Prevention of Insider Trading

Pursuant to the SEBI (Prevention of Insider Trading) Regulations, 2015 ("PIT") as amended, the Company has formulated, Code of Conduct to Regulate Monitior and Report Trading by Insiders. These Codes are framed in keeping with the standards set out in the Regulations to monitor and facilitate reporting of trading by employees.

Company has identifiedDesignated Persons who can be privy to the Unpublished Price Sensitive Information (UPSI), based on their grade, department and other factors. It includes obligations and responsibilities of Designated Persons, maintenance of digital database, mechanism for preventing insider trading & handling of UPSI, disclosure of UPSI for legitimate purposes, prohibited and permitted transactions, consequence for violation etc.

The Company has been disseminated through the Company's periodic mailers. Further, the Company has put in place adequate and effective system of internal controls as to monitor trading in securities by the Insiders in order to ensure compliance with the PIT. Structured digital database is being maintained by the Company as prescribed under the PIT. Company Secretary has been appointed as the Compliance Officer for ensuring implementation of Code.

K. Information about Directors seeking appointment and re-appointment:

Details of Directors seeking appointment and reappointment at the forthcoming Annual General Meeting (Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Director retiring by rotation and eligible for reappointment:

Name of Director	**Mr. Falgun Vallabhbhai Savani** 
DIN No.	00198236
Designation	Chairman and Managing Director
Date of Birth	September 24, 1974
Age	47 Years
Date of first appointment on the Board	26/02/1999 Appointed as Chairman and Managing Director w.e.f. 26/11/2018.
Qualification / Brief Resume / Expertise in specific functional area / experience	Mr. Falgun Vallabhbhai Savani, aged 47 years, is the Promoter, Chairman and Managing Director of our Company. He has been the Director of our Company since inception and was subsequently designated as Chairman and Managing Director of the Company w.e.f. November 26, 2018. He holds Bachelor's degree in Pharmacy from B. K. Modi Government Pharmacy Collage, Rajkot affiliated with Saurashtra University. He has 21 years of experience in API Industry. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.
No. of Shares held in the Company as on 31/03/2022	2645952 Equity Shares
Remuneration	45.95 Lacs plus Sitting of Rs. 0.25 Lacs for FY 2021-22
Relationship with other Directors and Key Managerial Personnel	Brother of Mr. Jignesh Vallabhbhai Savani, Director & CEO of the company and Brother-in-law of Mrs. Nayna Jignesh Savani, Non-executive Director of the company.
No of meetings of the Board attended during the year	5 (Five)
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL



3. Committees of the Board:

(i) Audit Committee:

The Audit Committee comprises of four members with three Independent Directors and one Executive Director as on 31st March, 2022.

The Composition of the Committee as on March 31, 2022 and its attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	4/4
Mrs. Kajal Chintanbhai Vaghani	Non-Executive & Independent Director	Member	2/4
Falgun Vallabhbhai Savani	Chairman & Managing Director	Member	4/4
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	4/4

Meeting No.	Date of Audit Committee Meeting	Total no. of Member	No. of Member present
1/AC/2021-22	10-06-2021	4	3
2/AC/2021-22	23-08-2021	4	3
3/AC/2021-22	09-11-2021	4	4
4/AC/2021-22	07-02-2022	4	4

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 29th September, 2021.

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

Terms of Reference:

The Audit Committee shall have following powers/responsibilities:

a. To investigate any activity within its terms of reference.

b. To seek information from any employee.

c. To obtain outside legal or other professional advice, and

d. To secure attendance of outsiders with relevant expertise if it considers necessary The

Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations Statement of significant related party transactions (as defined by the audit committee), submitted by management;

b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

d. Internal Audit reports relating to internal control weaknesses; and

e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

(ii) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of three members with two Independent Directors and one Non-executive Director as on 31st March, 2022.

The Committee met on 23rd August, 2021. The Composition of the Committee as on March 31, 2022 and its attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	1/1
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	1/1
Mrs. Nayna J. Savani	Non-Executive Director	Member	1/1

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 29th September, 2021.

The Company Secretary and Compliance Officer of the Company would act as the Secretary to Nomination and Remuneration Committee.

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 level and composition of remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. Identifying persons who are qualified to become directors and who may be appointed in senior management inaccordance with the criteria laid down, and recommend to the Board their appointment and removal.

(iii) Stakeholder's Relationship Committee:

Company has constituted a Stakeholders Relationship Committee to redress complaints of the shareholders. The Stakeholder's Relationship Committee comprises of three members with two Independent Directors and one Non-executive Director as on 31st March, 2021.

The Committee met on 23rd August, 2021. The Composition of the Committee as on March 31, 2022 and its attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	1/1
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	1/1
Mr. Jignesh V. Savani	Executive Director & CEO	Member	1/1

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 29th September, 2021.

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee.

Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

1) Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2) Redressalofsecurityholder's/investor'scomplaintsEfficienttransferofshares;includingreviewofcases for refusal of transfer / transmission of shares and debentures;
3) Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4) Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5) Allotment and listing of shares;
6) Reference to statutory and regulatory authorities regarding investor grievances; and
7) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8) Any other power specifically assigned by the Board of Directors of the Company.

Name, designation and address of Compliance Officer:

Mr. Sanket B. Trivedi, Company Secretary & Compliance Officer

Contact: +91 - 278 – 244 7013

E-mail: investors@pardrugs.com

Details of shareholders' complaints received and redressed during FY 2021-22 are as follows:

Opening	Received during the year	Resolved during the year	Not solved to the satisfaction of shareholders	Pending
NIL	NIL	N.A.	N.A.	NIL

(iv) CSR Committee:

The CSR Committeecomprises of three members with two Independent Directors and one Non - executive Director as on March 31, 2022.

The Committee met two times during the year i.e. on23/08/2021 and 21/03/2022 . The Composition of the Committee as on March 31, 2022 and its attendance for meetings held during the year is set out below:

Name of Member	Category	Status	No. of meeting attended/ held
Mr. Pravin Manjibhai Bhayani	Non-Executive & Independent Director	Chairman	2/2
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	2/2
Mr. Nayna J. Savani	Non-Executive Director	Member	2/2

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 29th September, 2021.

Terms of Reference of Corporate Social Responsibility Committee:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

4. Remuneration Policy:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is available on the website of the company at www.pardrugs.com

The Company paid Sitting Fees of Rs. 1000/- per meeting up to 24th August, 2021 and thereafterBy considering the suggestion of Audit Committee and Nomination and Remuneration Committee and after due discussion, the Board considered and approved to give sitting fees of Rs. 5000/- per meeting of Board of Directors and Committees Meetings to all directors of the Company including its Non-Executive Directors (NEDs) for attending the Meetingof the Board of Directors or its Committees. The details of the remuneration paid to the Directors/KMPs for the year 2021-22 are as follows:

A. To Executive Directors/KMPs:

(Rs. In Lakh)

Name of Director/KMP	Designation	Salary	Benefits, Perquisites and Allowances	Sitting Fees	Total
Mr. Falgun Vallabhbhai Savani	Chairman & Managing Director	45.95	-	0.25	46.20
Mr. Jignesh Vallabhbhai Savani	CEO and Executive Director	45.95	-	0.14	46.09
Mr. Ghanshayambhai Bhagvanbhai Savani	Whole-time Director	45.95	-	0.13	46.08
Mr. Sanket Bhupendrabhai Trivedi	Company Secretary & Compliance Officer	5.32	-	-	5.32
Mr. Chintan Pratapbhai Chauhan	CFO	4.74	-	-	4.74
Total		**147.91**	-	**0.52**	**148.43**

B. To Non-Executive Directors:

(Rs.in Lakh)

Name of Director/KMP	Designation	Salary	Sitting Fees	Total
Mrs. Shilpa Falgunbhai Savani*	Non- Executive Director	-	0.03	0.03
Mrs. Nayna Jignesh Savani	Non- Executive Director	-	0.20	0.20
Mrs. Krishna Mitulbhai Shah	Non- Executive Independent Director	-	0.38	0.38
Mrs. Kajal Chintanbhai Vaghani	Non- Executive Independent Director	-	0.26	0.26
Mr. Pravin Manjibhai Bhayani	Non- Executive Independent Director	-	0.38	0.38
Mrs. Bintal Bhaveshkumar Shah	Non- Executive Additional Independent Director	-	0.13	0.13
Total			**1.38**	**1.38**

*Mrs. Shilpa Falgunbhai Savani (DIN: 00198250), Non-executive, Non-Independent Director tender her resignation voluntarily from the position of Non-Executive Director of the Company with effect from closure of business hours on Tuesday, 24th August, 2021.

5. General Body Meetings:

(A) Annual General Meeting:

Date and time of the Annual General Meeting held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

For Financial Year	Location	Date & Time	Special Resolution Passed
2020-21	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	29/09/2021 4.00 P.M.	1. To approve Increase in Remuneration of Mr. Falgun Vallabhbhai Savani, Chairman & Managing Director (DIN: 00198236) of the Company. 2. To approve Increase in Remuneration of Mr. Ghanshayambhai Bhagvanbhai Savani, Whole Time Director (DIN: 03055941) of the Company. 3. To approve Increase in Remuneration of Mr. Jignesh Vallabhbhai Savani, CEO & Director (DIN: 00198203) of the Company.
2019-20	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	21/07/2020 4.00 P.M.	1. Approval to move Registers, Copies of Returns, material documents, at factory Office of the Company at Bhavnagar from corporate office of the Company
2018-19	333/1, G.I.D.C. Industrial Estate, Phase-II, Chitra, Bhavnagar – 364004, Gujarat.	27/04/2019 4.00 P.M.	No Special Resolutions were passed.

(B) Extra Ordinary General Meeting:

Date and time of the Extra Ordinary General Meeting held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

Year	Location	Date & Time	Special Resolution Passed
2021-22	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	15/04/2021 4.00 P.M	1. Increase authorized share capital of the company to enable issue of bonus shares 2. To alter clause v of memorandum of association to reflect the increase in the authorized share capital proposed under item no. 1 3. To approve issue of bonus equity shares.

2020-21	Not Applicable	Not Applicable	Not Applicable
2019-20	Not Applicable	Not Applicable	Not Applicable

The shareholders passed the resolutions set out in the respective notices.

(C) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot during the F.Y. 2021-22:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated June 15 , 2021 for migration of Listing and Trading of the Equity Shares of the Company from National Stock Exchange of India Limited (NSE) SME Platform (i.e. Emerge) to Main Board of National Stock Exchange of India Limited (NSE), which was duly passed and the results of which were announced on July 24, 2021. Dip G. Patel (Membership No. FCS 10533) of DG PATEL & ASSOCIATES, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the votes cast by the members through e-voting & Postal Ballot Form for the given business and to scrutinize the postal ballot process in a fair and transparent manner.

Results of Postal Ballot:

(i) Voted **in favour** of the resolution:

Mode of Voting	Number of members voted	Number of valid votes cast by them	% of the total number of valid votes cast
Postal Ballot	19	104000	100.00%
e-voting	12	756000	100.00 %
Total	31	860000	100.00 %

(ii) Voted **against** the resolution:

Mode of Voting	Number of members voted	Number of valid votes cast by them	% of the total number of valid votes cast
Postal Ballot	0	0	0.00%
e-voting	0	0	0.00%
Total	0	0	0.00%

(iii) **Invalid** votes:

Mode of Voting	Number of members whose votes were declared invalid	Number of invalid votes cast by them	% of the total number of invalid votes cast
Postal Ballot	2	32000	100.00%
e-voting	0	0	0.00%
Total	2	32000	1000.00%

Pursuant to provisions Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the special resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.
Accordingly, details of the valid votes cast by the promoters and public shareholders other than promoters are as under:

Category	Mode of Voting	Valid Votes						Invalid Votes	
		No. of members voted	No. of valid votes casted	No. of valid Votes – in favour	No. of valid Votes – against	% of valid Votes in favour	% of valid Votes against	No. members voted	No. of Invalid Votes
Promoter and Promoter Group	E-Voting	0	0	0	0	0.00	0.00	0	0
	Postal Ballot	0	0	0	0	0.00	0.00	0	0
	Total	0	0	0	0	0.00	0.00	0	0
Public Institutions	E-Voting	0	0	0	0	0.00	0.00	0	0
	Postal Ballot	0	0	0	0	0.00	0.00	0	0
	Total	0	0	0	0	0.00	0.00	0	0
Public Non Institutions	E-Voting	12	756000	756000	0	100.00	0.00	0	0
	Postal Ballot	19	104000	104000	0	100.00	0.00	2	32000
	Total	31	860000	860000	0	100.00	0.00	2	32000
Grand Total		31	860000	860000	0	100.00	0.00	2	32000

Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and various Circulars issued by the Ministry of Corporate Affairs and SEBI Circular dated May 12, 2020.

Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

6. **V Dhamsania & Associates, Chartered Accountants, having FRN 132499W has been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, for FY 2021-22 is given below:**
   1,80,000/- (Rupees One Lakh Eighty Thousand only) plus out of pocket expenses and taxes as applicable

7. **Other Disclosure:**

Particulars	Statutes/Regulation	Details	Website link
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act.	There are no material related party transactions during the year under review that have conflict with the interest of the Company. The Board has approved policy for related party transactions and it is uploaded on the website of the Company	www.pardrugs.com

Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets during the last three financial years.	Schedule V (C) 10(b) to the SEBI Listing Regulations	NIL	-
Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	A Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company	www.pardrugs.com
Subsidiary Companies	Regulation 24 of SEBI Listing Regulations	The Company does not have any Subsidiary, Joint Venture or Associate Company.	-
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted this policy.	www.pardrugs.com
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted this policy.	www.pardrugs.com
Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circulars	A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.	www.pardrugs.com
Code of Conduct	Regulation 17 of SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them	www.pardrugs.com

		during the year ended March 31, 2021. The Annual Report of the Company contains a certificate by the Chief Executive Officer and Managing Director, on the compliance declarations received from the members of the Board and Senior Management.	
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations	N.A.	-
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website.	www.pardrugs.com
Familiarization Program	Regulations 25(7) and 46 of SEBI Listing Regulations	Details of familiarization program imparted to Independent Directors are available on the Company's website.	www.pardrugs.com
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	The details have been disclosed in the Directors Report forming part of the Annual Report.	

8. Means of Communication:

a. Financial Result:

Quarterly and Half Yearly and year to date Results were taken on record by the Board of Directors and submitted to stock exchanges in terms of the requirements Regulation 33 of the listing agreement. The results are also displayed on the Company's website www.pardrugs.com Statutory notices are normally published in Economic Times & Navgujarat Samay.

b. Website:

The Company's website www.pardrugs.com contains a separate dedicated section 'Investors' wherein information appropriate for shareholders is available. It displays vital information relating to the Company and its performance, announcement submitted to NSE, Financials, Corporate Governance Report, Shareholding Pattern, presentation to analysts, policies & codes, CSR and other material information relevant to shareholders. The Company's Annual Reports are also available in downloadable form.

c. Annual Report:

The Annual Report containing, inter-alia, Audited Standalone Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others

entitled to. The Management Discussion and Analysis (MDA) Report forms part of the Annual Report. As a part of the green initiative, the Annual Reports are sent by e-mail to the Shareholders whose e-mail IDs are registered with the Depositories / Registrar & Transfer Agent ("RTA"). If any member wishes to get a duly printed copy of the Annual Report, the Company sends the same, free of cost, upon receipt of request from the member.

d. Reminders to Shareholders for unclaimed shares / dividend:

The Company sends reminders to all those shareholders whose unclaimed dividend / shares are liable to be transferred to the Investor Education and Protection Fund ("IEPF") account.

e. Filing with the Stock Exchanges:

All other submission to be made to the Stock Exchanges viz., shareholding pattern, corporate governance report, statement of investor complaints, etc are filed electronically with National Stock Exchange of India Limited.

Material developments related to the Company that are potentially price sensitive in nature in accordance with Regulation 30 of the Listing Regulations, are also disclosed to the Stock Exchanges as per the Policy for Disclosure of Material Information. They are also made available on Company's website.

f. Investors:

To serve the investors better and as required under Regulation 46(2)(j) of the Listing Regulations, the Company's Grievance Redressal Division has a designated email address for investor complaints vide investors@pardrugs.com. The Company's Compliance Officer monitors this email regularly.

9. General shareholder information:

(1) Annual General Meeting for FY 2021-22:

Date: Saturday, 10th September, 2022

Time: 11:00 A.M. IST

Venue: TaraSuns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India

For details, please refer to the Notice of this AGM. As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

(2) Financial Year:

April to March

Reporting calendar: Within 45 / 60 days from the end of the quarter / financial year respectively, as stipulated under the Listing Regulations

(3) Dividend Payment:

Interim Dividend - Company paid an interim dividend at the rate of 12.50% i.e. ₹ 1.25/- per equity share of face value of ₹ 10/- each, to shareholders who were on the register of members as on 23rd November, 2021, being the record date fixed for this purpose. Interim Dividend was paid on 3rd December, 2021.

Final dividend - Not Applicable as the Board has not declared any final dividend for the FY 2021-22.

(4) Date of Book Closure /Cut-off date: As mentioned in AGM Notice.

(5) Listing on Stock Exchanges:

Equity shares of the company are listed on Capital Market Segment of NSE Limited
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (East), Mumbai 400 051

(6) Stock Codes / Symbol:

NSE SYMBOL: PAR
ISIN: INE04LG01015
Listing Fees as applicable have been paid.

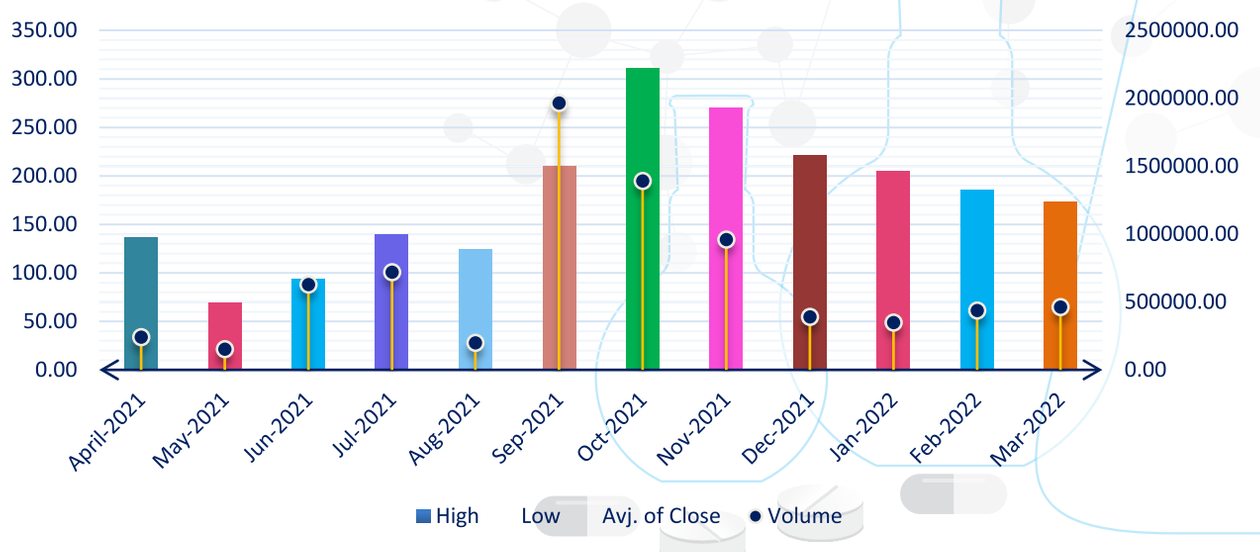
(7) Corporate Identity Number (CIN) of the Company: L24117GJ1999PLC035512

(8) Market Price Data:

Equity shares of the Company traded during each month during F.Y. 2021-22 on NSE*:

Month	Average of Open	High	Low	Average of Close	No. of Trades	Volume	Platform
April-2021	111.46	136.50	64.65	113.70	100	240000	SME
May-2021	63.24	68.90	58.45	64.02	38	152000	SME
Jun-2021	75.90	94.00	60.10	74.39	253	628000	SME
Jul-2021	112.93	139.05	87.00	111.75	353	718000	SME
Aug-2021	109.29	124.00	98.00	108.95	97	198000	SME
Sep-2021	141.19	210.45	100.15	137.19	12973	1964678	Main Board & SME
Oct-2021	244.99	310.60	195.85	242.44	16897	1390577	Main Board
Nov-2021	213.83	270.00	177.00	214.33	14607	959296	Main Board
Dec-2021	198.58	220.95	179.20	196.33	12349	389609	Main Board
Jan-2022	192.67	205.00	166.25	191.85	10820	347676	Main Board
Feb-2022	161.68	185.45	140.10	160.17	9776	436416	Main Board
Mar-2022	157.47	172.75	131.75	155.83	7296	461559	Main Board

*Reference: Historical data available on www.nseindia.com



(9) Performance in comparison to Nifty 50*

Month	PAR			Nifty 50		
	High	Low	Volume	High	Low	Shares Traded (In Lacs)
Apr-2021	136.5	64.65	240000	15044.35	14151.4	96401
May-2021	68.9	58.45	152000	15606.35	14416.25	102698
Jun-2021	94	60.1	628000	15915.65	15450.9	80791
Jul-2021	139.05	87	718000	15962.25	15513.45	59967
Aug-2021	124	98	198000	17153.5	15834.65	63499
Sep-2021	210.45	100.15	1964678	17947.65	17055.05	69555
Oct-2021	310.6	195.85	1390577	18604.45	17452.9	76511
Nov-2021	270	177	959296	18210.15	16782.4	58534
Dec-2021	220.95	179.2	389609	17639.5	16410.2	54993
Jan-2022	205	166.25	347676	18350.95	16836.8	54354
Feb-2022	185.45	140.1	436416	17794.6	16203.25	56203
Mar-2022	172.75	131.75	461559	17559.8	15671.45	79597

*Reference: Historical data available on www.nseindia.com

(10) Registrars and Transfer Agents

LINK INTIME INDIA PRIVATE LIMITED
5th Floor, 506 TO 508,Amarnath Business Centre – 1
(ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad-380006, Gujarat, India Tel: (079) 26465179 Website: www.linkintime.co.in
Email: ahmedabad@linkintime.co.in SEBI registration no: INR000004058

(11) Places for acceptance of documents:

Documents will be accepted at theabove address between 1 1:00 a.m. and 3:30 p.m. (Monday to Friday except bank holidays).

(12) Share Transfer System:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

(13) Shareholding as on March 31, 2022:

a. Distribution of equity shareholding as on March 31, 2022:

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	3361	81.6371	324013	2.6333
2	501 to 1000	232	5.6352	185903	1.5108
3	1001 to 2000	180	4.3721	300290	2.4405
4	2001 to 3000	66	1.6031	168770	1.3716
5	3001 to 4000	140	3.4005	537921	4.3717
6	4001 to 5000	32	0.7773	146545	1.191
7	5001 to 10000	57	1.3845	407616	3.3127

8	10001 to 99999999999	49	1.1902	10233578	83.1685
	TOTAL :	**4117**	**100**	**12304636**	**100**

b. Categories of equity shareholding as on March 31, 2022:

Category	Demated Shares	Demated Holders	Physical Shares	Physical Holders	Total Shares	Total Value	Total Percent
Clearing Members	12362	21	0	0	12362	123620	0.1005
Other Bodies Corporate	91002	11	0	0	91002	910020	0.7396
Hindu Undivided Family	335863	109	0	0	335863	3358630	2.7296
Non Resident Indians	25266	25	0	0	25266	252660	0.2053
Non Resident (Non Repatriable)	52482	26	0	0	52482	524820	0.4265
Public	2642875	3829	0	0	2642875	26428750	21.4787
Promoters	9130886	8	0	0	9130886	91308860	74.2068
Trusts	50	1	0	0	50	500	0.0004
Body Corporate - Ltd Liability Partnership	8220	3	0	0	8220	82200	0.0668
Alternate Invst Funds - III	5630	1	0	0	5630	56300	0.0458
TOTAL :	**12304636**	**4034**	**0**	**0**	**12304636**	**123046360**	**100**

c. Top ten equity shareholders of the Company as on March 31, 2022:

Sr No	Category	ShareHolder's Name	Shares	Percentage
1	Promoter	JIGNESH VALLABHBHAI SAVANI	2692440	21.8815
2	Promoter	FALGUN VALLABHBHAI SAVANI	2645952	21.50
3	Promoter Group	VALLABHBHAI J SAVANI	2401472	19.5168
4	Promoter Group	GHANSHAYAMBHAI B SAVANI	802284	6.5202
5	Promoter Group	SARITABEN VALLABHBHAI SAVANI	221732	1.802
6	Promoter Group	SAVANI NAYNA JIGNESH	189384	1.5391
7	Promoter Group	SHILPABEN FALGUN SAVANI	177372	1.4415
8	Public	RAJ MILAN BHAYANI	89040	0.7236
9	HUF	G PRAKASH CHAND BAID HUF	52157	0.4239
10	Public	SAURABH MOHNOT	52000	0.4226

d. Top ten Public equity shareholders of the Company as on March 31, 2022:

Sr No	Category	Share Holder's Name	Shares	Percentage
1	Public	RAJ MILAN BHAYANI	89040	0.7236
2	Public	JAGAT NAVRATNA LODHA	80000	0.6501
3	Hindu Undivided Family	G PRAKASH CHAND BAID HUF	52157	0.4239
4	Public	SAURABH MOHNOT	52000	0.4226
5	Hindu Undivided Family	GOTHAMCHAND A HUF	50052	0.4068
6	Public	GAURAV KIRITKUMAR SHAH	48000	0.3901
7	Public	KIRITBHAI MAKANBHAI RAVAL	48000	0.3901
8	Public	PRAVEEN KUMAR GUPTA	48000	0.3901
9	Public	ASMITA P BHAYANI	40000	0.3251
10	Body Corporate	Mi Lifestyle Marketing Global Private Limited	37558	0.3052

(14) Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form on NSE Capital Market platform. Equity shares of the Company representing 100.00 percent of the Company's equity share capital are dematerialized as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE04LG01015.

(15) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence, as on March 31, 2022, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(16) Commodity price risk or foreign exchange risk and hedging activities:

For a detailed discussion on foreign exchange risk and do any hedging activities, please refer to Management Discussion and Analysis Report.

(17) Reconciliation of Share Capital Audit:

As stipulated by SEBI, a Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued, listed and paidup capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

(18) Equity shares in the suspense account:

None of the equity shares are in the suspense account.

(19) Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not

claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. Company was not required to transfer unclaimed dividend or shares to IEPF during the year under review as there is no unclaimed dividend for seven years.

(20) Plant locations:

There are four Manufacturing Blocks at Plot No. 333/1, 333/2, 334, 335, 336/A, 336/B, 337, 338 GIDC, Estate, Phase-II, Chitra, Bhavnagar-364004, Gujarat, India, which are for different products having a capacity of approx 9,700 MTPA. Block 1 – APIs, Block 2 - Magnesium Hydroxide, Block 3 - Fine Chemicals and Block 4 – APIs/ Fine Chemicals.

(21) Address for correspondence:

a. Registered Office

815, Nilamber Triumph, Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991021/1022, 0278-2447013 Website: www.pardrugs.com
Email: investors@pardrugs.com

b. Contact Details for Investor Correspondence

Mr. Sanket B. Trivedi
Company Secretary, Compliance Officer & Deputy Nodal Officer
Contact: +91 - 278 – 244 7013
E-mail: investors@pardrugs.com
Website: www.pardrugs.com

(22) SEBI Complaints Redressal System (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressed of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

Corporate Governance Compliance Certificate

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To ,
The Members,
PAR DRUGS AND CHEMICALS LIMITED

We have examined the compliance of conditions of Corporate Governance by **Par Drugs And Chemicals Limited** ('the Company') for the year ended on 31st March, 2022, as stipulated under 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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has compiled with the conditions of Corporate Governance as stipulated in the provisions as specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31st March, 2022.

We further state that 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 DG PATEL & ASSOCIATES
Company Secretaries

Sd/-

Dip G. Patel
(Proprietor)
FCS: 10533
C.P. No.: 13774
PR: 1839/2022

Place: Bhavnagar
Date: 28/07/2022
UDIN: F010533D000699100

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

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non Executive Directors and Independent Directors. These Codes are available on the Company's website.

I, confirm that the Company has in respect of the year ended March 31, 2022, received from the members of board of directors and senior management personnel of the Company a declaration of compliance with the Code of Conduct as applicable to board of directors and senior management.

Further, Pursuant to Regulation 26(3) read with Schedule V of SEBI (LODR) Regulations, 2015, I hereby declare 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 as applicable to them for the year ended 31st March 2022.

For & on Behalf of Board of Directors
Par Drugs And Chemicals Limited

Sd/-

(Mr. Falgun V. Savani)
Managing Director

Date: 28/07/2022
Place: Bhavnagar

COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI (LODR) Regulations, 2015)

To,
The Board of Directors
Par Drugs And Chemicals Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Par Drugs And Chemicals Limited ("the Company"), to the best of our knowledge and belief certify that:

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

   I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

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

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

c. We 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, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit committee:

I. significant changes, if any, in internal control over financial reporting during the year;

II. significant changes, if any, in accounting policies during the yearand that the same have been disclosed in the notes to the financial statements; and

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

Date: 07/05/2022
Place:Bhavnagar

For Par Drugs And Chemicals Limited

Sd/-

(Mr. Jignesh V. Savani)
Chief Executive Officer

For Par Drugs And Chemicals Limited

Sd/-

(Mr. Chintan P. Chauhan)
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To ,
The Members,
PAR DRUGS AND CHEMICALS LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PAR DRUGS AND CHEMICALS LIMITED** having CIN L24117GJ1999PLC035512 and having registered office at 815, Nilamber Triumph, Gotri Vasna Road, Vadodara - 390007 Gujarat (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 Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our 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 to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director & DIN	Designation & Category	Date of Appointment
1.	Mr. Falgun Vallabhbhai Savani DIN: 00198236	Chairman and Managing Director (Promoter)	26/02/1999 (as a Director) 26/11/2018 (as a Chairman & Managing Director)
2.	Mr. Jignesh Vallabhbhai Savani DIN: 00198203	CEO and Executive Director (Promoter)	26/02/1999 (as a Director) 26/11/2018 (as a CEO)
3.	Mr. Ghanshayambhai Bhagvanbhai Savani DIN: 03055941	Whole Time Director (Promoter Group)	01/04/2012 (as a Director) 26/11/2018 (as a Whole-time Director)
4.	Mrs. Shilpa Falgunbhai Savani* DIN: 00198250	Non- Executive Director (Promoter Group)	02/02/2018
5.	Mrs. Nayna Jignesh Savani DIN: 00198189	Non- Executive Director (Promoter Group)	02/02/2018
6.	Mr. Pravin Manjibhai Bhayani DIN: 08332851	Non- Executive Independent Director	17/01/20019
7.	Mrs. Krishna Mitulbhai Shah DIN: 08317678	Non- Executive Independent Director	17/01/20019
8.	Mrs. Kajal Chintanbhai Vaghani DIN: 08317641	Non- Executive Independent Director	17/01/20019
9.	Bintal Bhaveshkumar Shah DIN: 08893054	Non- Executive Independent Director	28/09/2020

* resigned w.e.f. 24/08/2021

Ensuring the eligibility of 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 DG PATEL & ASSOCIATES
Company Secretaries

Place: Bhavnagar
Date: 28/07/2022
UDIN: F0105333D000699144

Sd/-

Dip G. Patel
(Proprietor)
FCS: 10533
C.P. No.: 13774
PR: 1839/2022



Management Discussion and Analysis



INDUSTRY STRUCTURE AND DEVELOPMENTS

Industry Structure:

The Pharmaceutical Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Pharmaceutical Industry forms part of Pharmaceutical Sector at a macro level. Hence, broad picture of Pharmaceutical Sector should be at preface while analyzing the Pharmaceutical Industry. Pharmaceutical Sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Pharmaceutical Sector is "Pharmaceutical Products Manufacturing Industry", which in turn encompasses Active Pharmaceutical Ingredient segment. Thus, the micro analysis of segments such as Active Pharmaceutical Ingredients should be analyzed in the light of "Pharmaceutical Products Manufacturing Industry" at large. An appropriate view on Active Pharmaceutical Ingredients calls for the overall economic outlook, performance and expectations of Pharmaceutical Sector, position of Pharmaceutical Products Manufacturing Industry and micro analysis thereof.

The Active Pharmaceutical Ingredient (API) market is projected to grow at a rapid pace during the forecast period, owing to rise in cases of various chronic diseases. The increase in incidence of chronic diseases drives the global active pharmaceutical ingredients market. In the past few decades, the incidence of chronic diseases, including diabetes, chronic obstructive pulmonary disease (COPD), coronary artery disease, arthritis, asthma, hepatitis, and cancer has increased significantly in major regions across the globe. This could be attributed to the increase in the geriatric population across the world (by 2050, more than 20% of the global population is anticipated to be aged over 65 years), changing lifestyles, and dietary changes as a result of rapid urbanization.

In terms of manufacture type, the global API market has been segmented into in house manufacturing and contract manufacturing. The in house manufacturing segment dominated the global API market in the near previous year and the trend is projected to continue during the forecast period. Global players, prefer in-house production of APIs. This is a major factor driving the segment. These players believe that in house manufacture provides control of the process from start to finish. It offers the flexibility to adapt as and when required. This is especially useful when a company wants to respond to the market quickly and make a consumer-led change to the product, as it does not have to go through another company or rely on anyone else. These factors are anticipated to boost the growth of the segment during the forecast period.

Labor costs constitute majority of the cost of any manufacturing process. Outsourcing manufacturing eliminates the responsibility and costs involved in hiring the staff required to do the job properly. This is a major factor likely to drive the demand for contract manufacturing in the near future.

In terms of API type, the global API market has been classified into synthetic, biological, and plant extracts. The synthetic segment accounted for a significant share of the global API market in the previous years. This can be attributed to higher availability of raw materials and easier protocols for the synthesis of these molecules. The enhancing access to healthcare with the fast penetration of technology and different

advancements in the healthcare segmentThe Indian bulk drug industry has progressed from being perceived as an industry manufacturing simple API molecules to becoming the preferred destination for high value and complex APIs. The industry currently ranks third globally, next only to China and Italy and is focused on low cost operations whilst leveraging the availability of skilled manpower in the country. Significant investments in process research and innovation have generated value for the industry. The bulk drug industry is also dominated by MSMEs, which are the primary employment generators in the Indian pharmaceutical sector.

Developments:

While we have always known that each business stands uniquely apart in its thinking, objectives and resources, we believe the timing is opportune to run them independently. The year gone by is proof of our long-term approach to doing business whether from the point of view of strategy, operations or sustainability. After considerable thought, we believe that reorganizing our businesses as explained earlier is the most efficient and sustainable way to move to the next level and stay true to Par Drugs' mission to enhance the value of our customer's products by delivering best quality of raw materials and consistently improve quality and production standards for the betterment of our customer's. and build a strong relationship with all our customers, vendors and employees on the values of ethical and transparent working system.

It would be worthwhile to mention here that till two decades ago, the country has been producing most of the APIs required in the country and even exporting a major part of the same to Europe and the US. But, the high cost of production because of comparatively low scale of operations and higher input costs rendered the domestic API production economically unviable. Besides the price-related issues, the Indian government's recent policy intervention is praiseworthy given the ever deteriorating Sino-Indian border relations. If the ongoing border skirmishes between India and China in the Ladakh region reach a flashpoint and as a retaliatory measure China decides to stop export of APIs and other raw materials to India, the result would be disastrous for the country as the industry does not have any alternate sources to procure these basic raw materials. Stringent environmental regulations added fuel to the fire, forcing the pharma companies to turn to China which emerged as a producer of cheap APIs with huge capacities and lower cost of production. However, over-dependence on China for APIs has always been a thorn in the flesh of Indian drug manufacturers as the prices of APIs tend to go through the roof whenever there is any disruption in China which was evident in the first months of this year due to the Covid-19 outbreak there. The Covid-19 outbreak and the subsequent disruption in supply of active pharmaceutical ingredients from China to India has finally made the alarm bell ringing and has woken up the Indian government from its self-imposed slumber on framing a conducive policy on APIs to end the country's over-dependence on China for APIs. To make India self-reliant in APIs production, the Central government has recently approved.

The good news is that the entire product range in our product portfolio, were the products which required the raw materials which are 100% indigenous and we are not relying on any Import Raw Materials.

OPPORTUNITIES:

The major requirements of APIs in India are met by imports from other countries such as China, Italy, Germany, France, Malaysia, etc. The major requirements of APIs in the world are met out by the China, which is slow down due to power problems and increasing the cost of utilities. The slowdown of the manufacturing of China can be provided an opportunity to domestic Indian units of APIs. This situation can be converted into an area of opportunity if the government provides adequate infrastructure facilities, subsidies and loans at low interest rates because then the captive market of APIs can be better developed to meet the requirements of the domestic manufacturers. Further, we can keep our focus to take opportunity by increasing the export turnover of APIs and increase the growth of the Company.

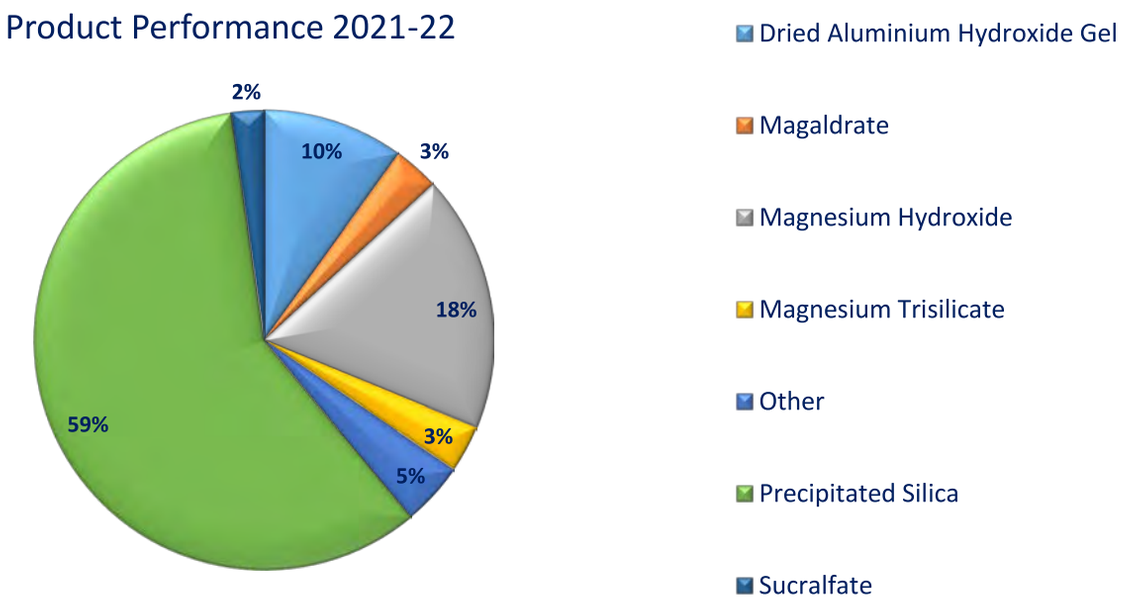
THREATS;

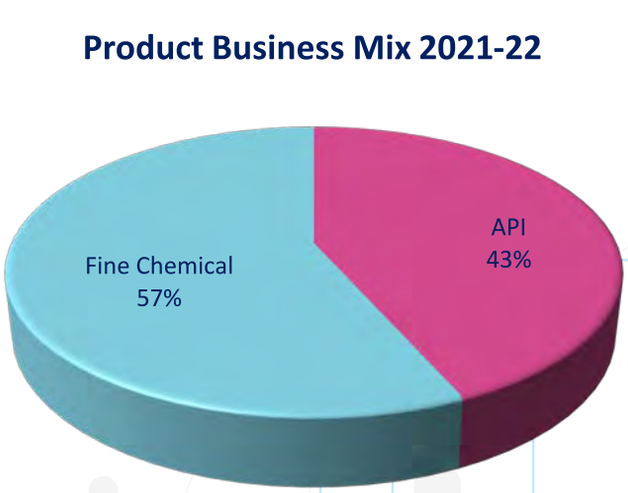
Company has business dealings in many countries. Each of these markets presents a different economic and political risk along with the ever present threat of natural disasters, wars, trade bans, etc. Further, the price of the utilities like coal and basic raw materials are increased substantially during the last year and the same is not expected to be level down. The increasing in the cost has resulted into increased the market rate of APIs. The increasing in the price of APIs would be effect on the demands of APIs in the domestic and international market. A widespread global presence, with no overdependence on any one region or country, considerably insulates the Company from any uneventful developments in any

particular market. Further, strong emphasis is given to regular tracking of the local developments to address these risks though, entry of global Players and technology disruptions still affected.

PRODUCT PERFORMANCE REVIEW

Company continues to operate only in one segment i.e. Active Pharma Ingredients ("APIs") and Fine Chemicals and there is no change in the nature of business of the company. The product Performance during the Financial Year 2021-22 as under.





OUTLOOK:

The Company has continue to expand more and more and continues to maintain its relatively stable and progressive growth outlook. For the growth in revenue we have decided to expand our Export Sales, since last two financial years we have gradually increase the same. Even during the last financial year we have achieved a 24% export sales compared to 16% previous year which in revenue its almost double to the previous financial year. The initiative taken by your Company for reducing overheads and finance costs, during this financial year, your company has paid up all the debts and now your company is debt free company.

RISKS AND CONCERNS:

Risks are inherent to our business as our operating environment is highly regulated, and dynamic. Pharmaceutical is among one of the highly regulated industries across the world. And rightly so as it deals with evolving human life. These regulation impact development, manufacturing, approval, marketing and distribution of products, while throwing new compliance challenges. A strong quality assurance mechanism and compliance monitoring network at your Company ensures strict compliance at every level. The Company earns its revenue in foreign exchange, thus exposing it to the volatility in the exchange rates. This can have an adverse effect on its earnings. The Company follows a conservative view which ensures protecting the desired exchange rate for sustaining the profitability.

To attain our strategic growth objectives, protect the interests of all our stakeholders and meeting legal requirements we have an established process of identifying, analyzing, and responding appropriately to all business risks. We have a well embedded Risk Management Framework to ensure that we are well-placed to manage any adverse effect posed by financial, operational, strategic or regulatory related risks. Our framework adopts appropriate risk mitigation measures for identified risks across functions. The process ensures that new risks, which might arise, or the impact of existing risks which might have increased, are identified and a strategy is put in place for mitigating such risks. The risks are measured, estimated and controlled with the objective to mitigate adverse impact. Your company's fundamental approach to risk management includes to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The Company has adopted a risk management policy which inter alia, sets out our approach towards risk assessment, risk management and risk monitoring, which is periodically reviewed by the Board.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Management of the Company and internal auditor checks and verifies the internal control and monitors them in accordance with. Audit Committee of the Board reviews reports submitted by the independent internal auditors and monitors follow-up and corrective actions.

The management has implementation the computer-based new system as recommended. The system is under process in terms of the testing and evaluation after its implementation. Therefore, management should have to do periodic evaluation of the new systems in terms of its accuracy and outcomes.

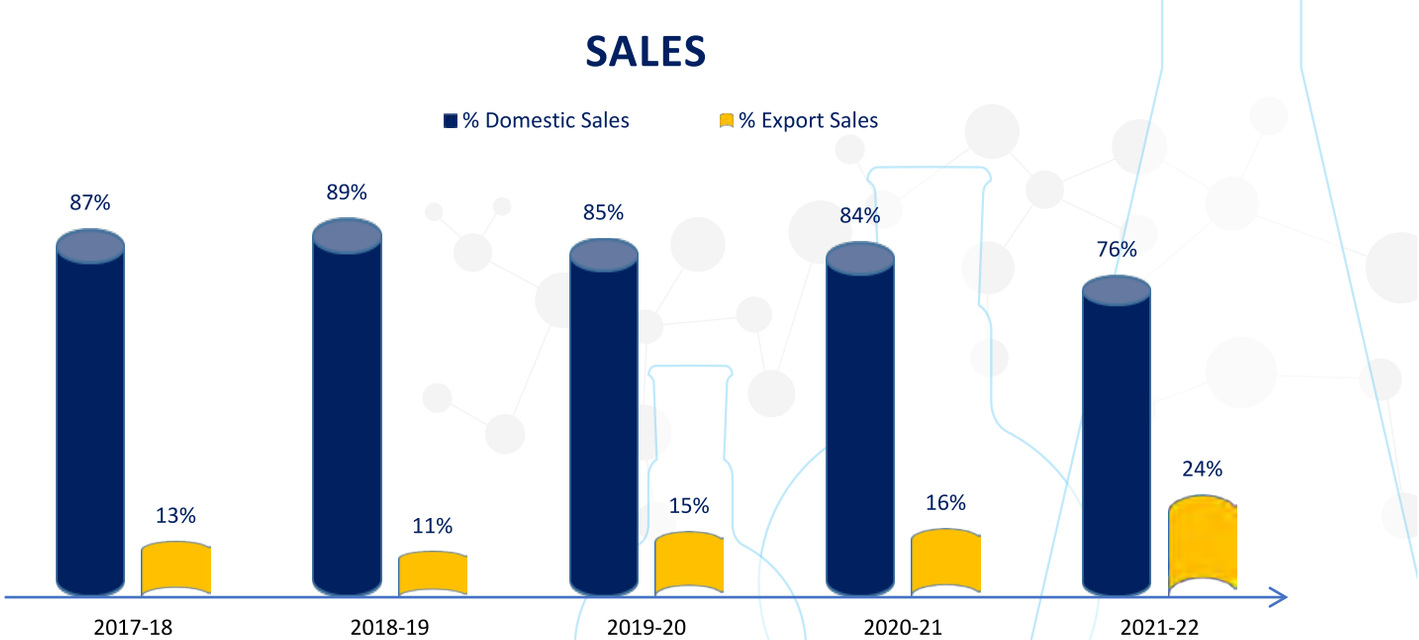
DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial highlights with respect to operational performance:

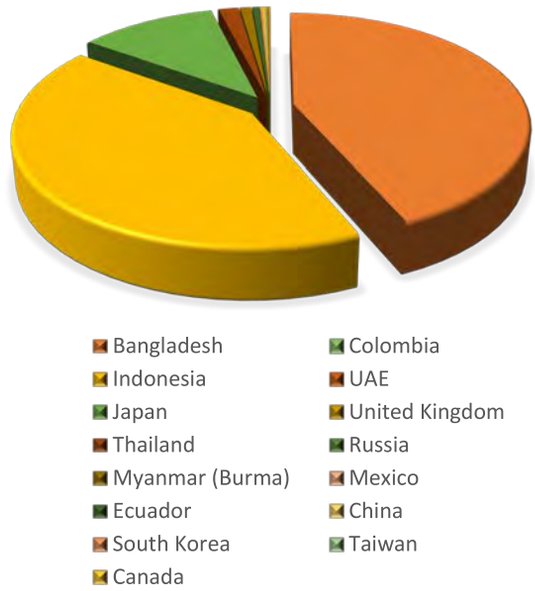
(Rs. In Lakh)

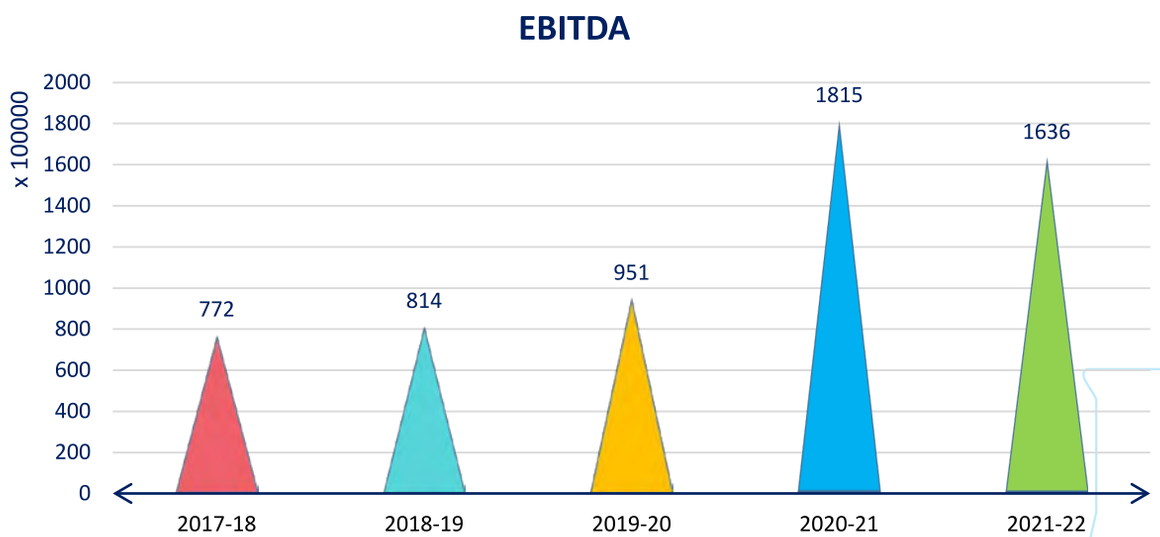
Particulars	2021-22	2020-2021	% Change
Revenue from Operations			
Sale of Products			
Finished Goods Sold during the year:			
1) Domestic	5627.27	5017.08	12%
2) Export	1792.74	970.56	85%
3) Other Operating Revenue	87.43	87.49	0%
4) Add: taxes	977.52	831.52	18%
Less: Taxes	977.52	831.52	18%
Net Sale of Product (A)	7507.44	6075.13	24%
Other Income(B)	18.39	18.94	-3%
Total Revenue from Operations (C)=(A)+(B)	7525.83	6094.07	23%

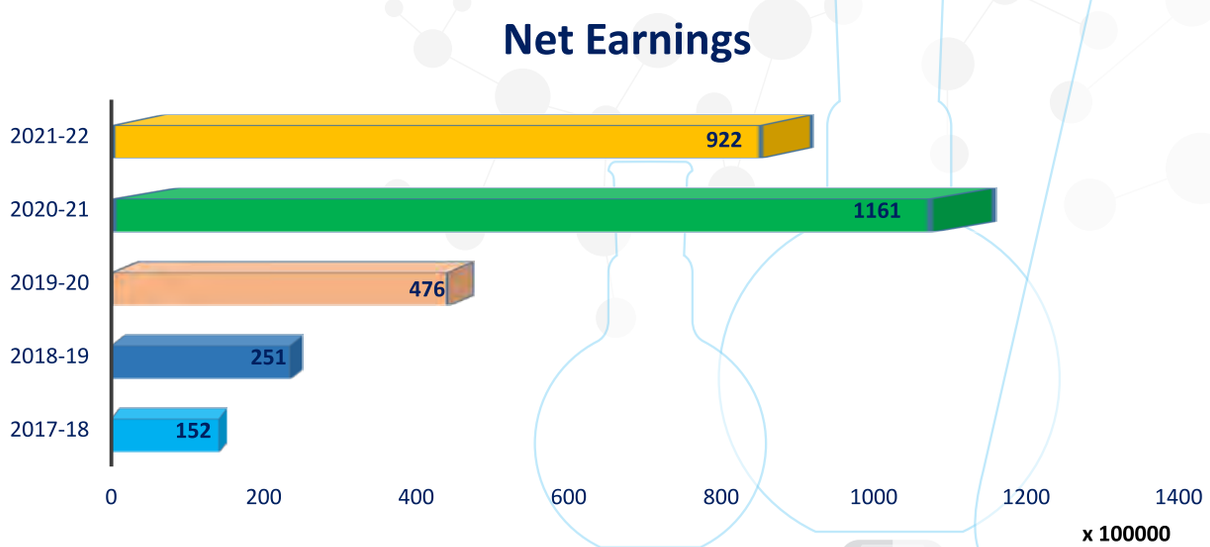
FINANCIAL PERFORMANCE OVERVIEW



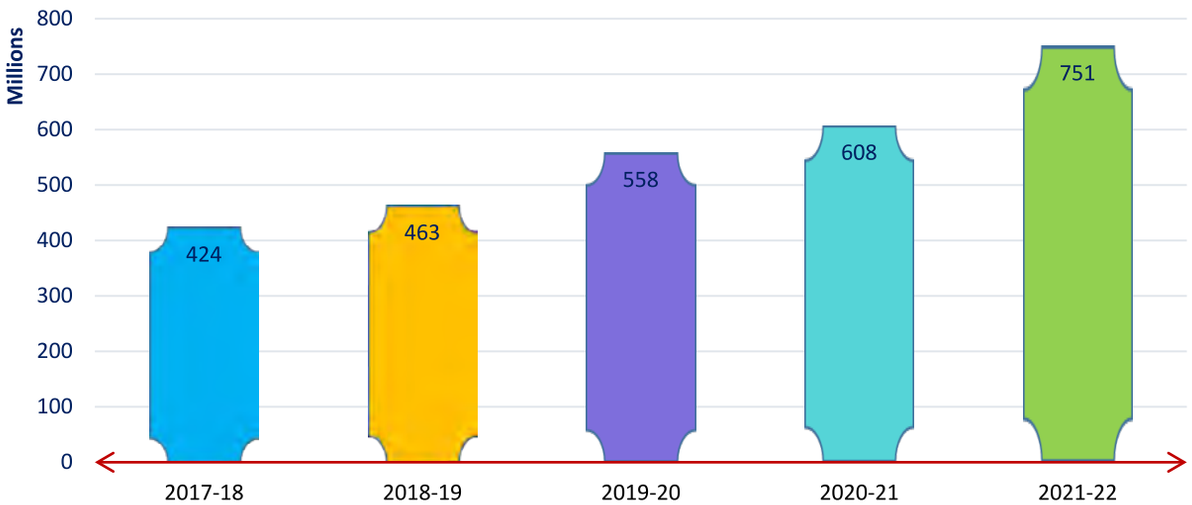
Country	% of export
Bangladesh	43.55%
Indonesia	41.39%
Japan	11.14%
Thailand	1.63%
Myanmar (Burma)	0.92%
Ecuador	0.61%
South Korea	0.19%
Canada	0.16%
Colombia	0.15%
UAE	0.15%
United Kingdom	0.05%
Russia	0.04%
Mexico	0.01%
China	0.01%
Taiwan	0.01%



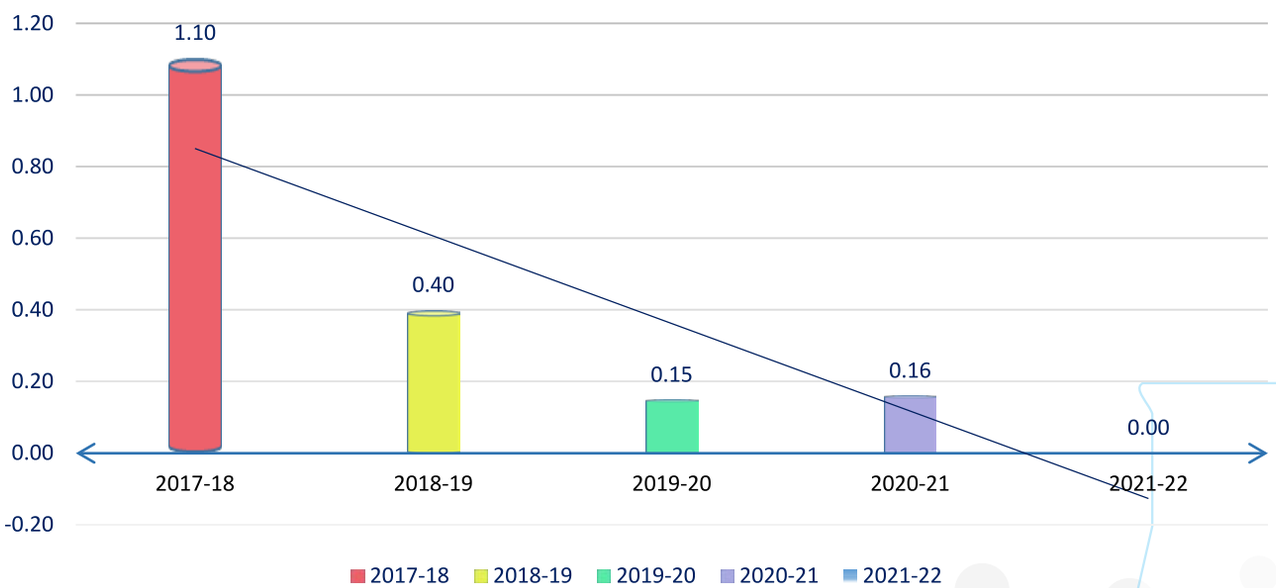




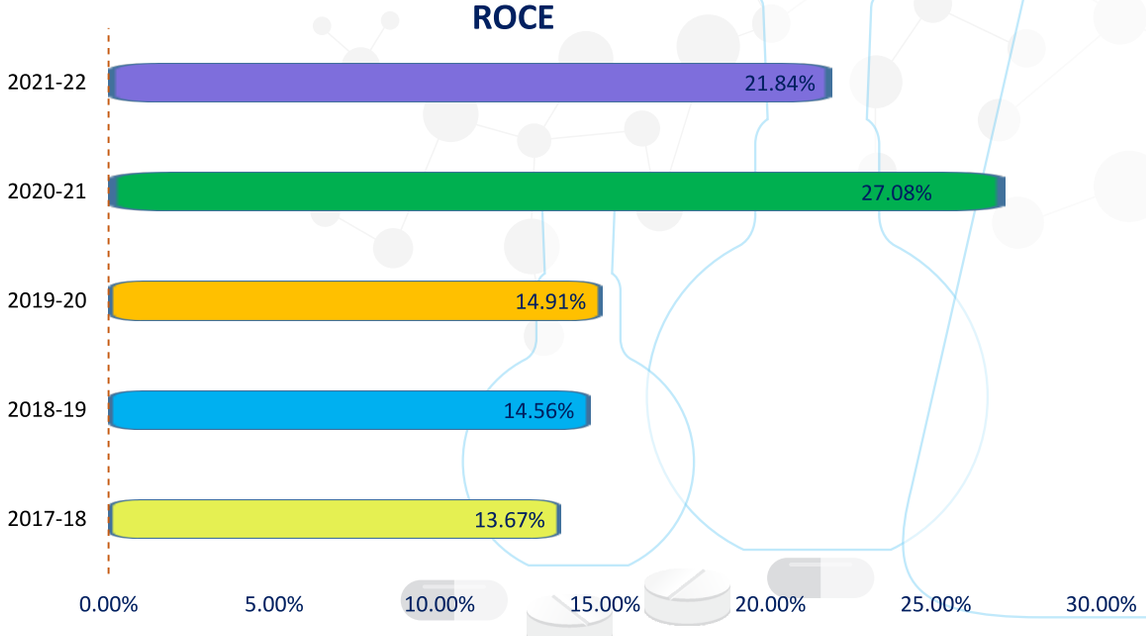
Revenue from Operation



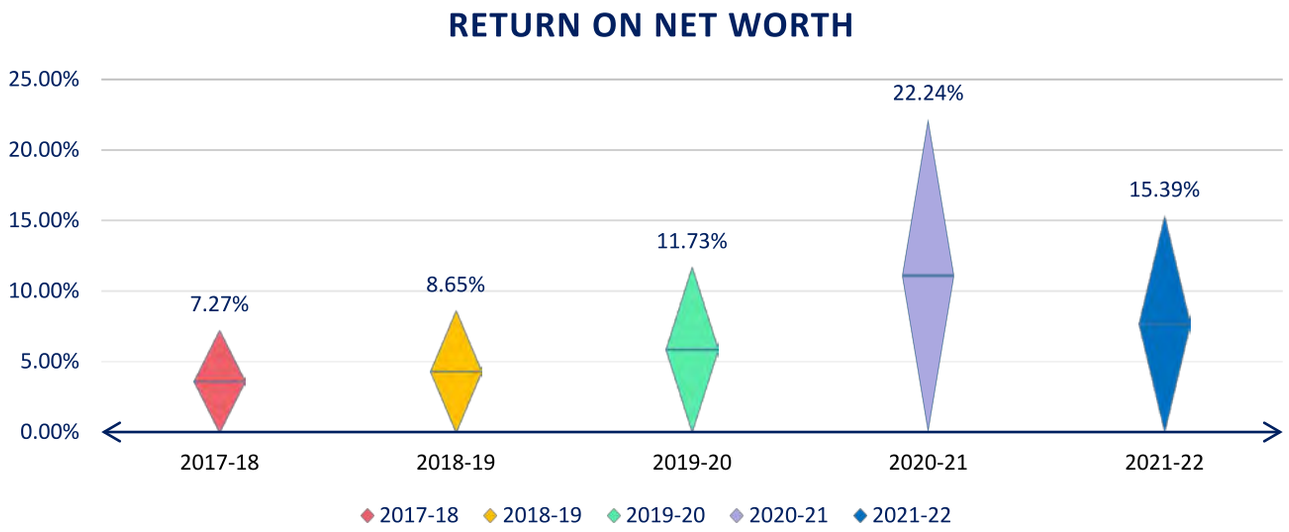
DEBT TO EQUITY

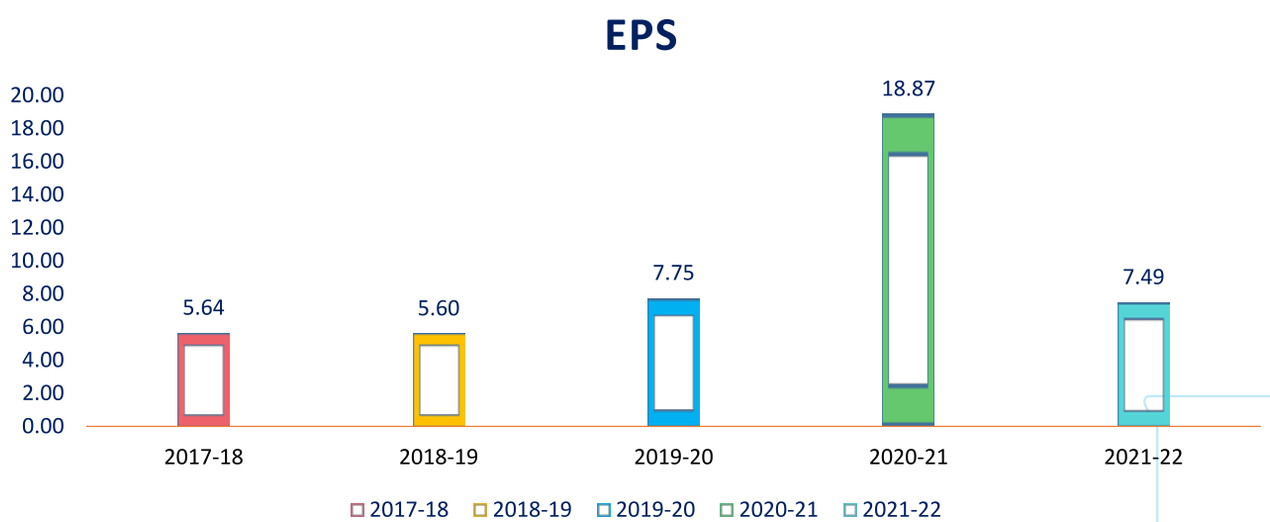


ROCE



*Capital employed includes Net worth +long term liability





MATERIAL DEVELOPMENTS IN HUMAN RESOURCE AND INDUSTRIAL RELATIONS

To Promote a culture of trust, tolerance, knowledge sharing and teamwork in consistent with professional environment founded on the principles of fairness, equity and mutual respect, deliver most efficient and innovative Human Resource Management to ensure development, enrichment and success of our Company through effective Human Resource practices. Further To achieve company targets, plans and business goals by linking individual and team performance objectives to department business plans and evaluating an employee's job- related attributes, behaviors and results, to develop core competencies reflecting the values and skills necessary for individual and organization success, to continually monitor employee's progress and communicate any ongoing issues to assist the employee in reaching goals and aligning expected performance levels with Company goals and objectives, to develop people through regular constructive coaching and dialogue, to promote job satisfaction in a motivating environment.

We are used to take review the employee's day to day performance and behavior to develop their skill and give chance to do work in the sometime out of box area to develop themselves. As on March 31, 2022, the Company had total 101 employees. We are used to take review the employees day to day performance and behavior to develop their skill and give chance to do work in the sometime out of box area to develop themselves. Further, The industrial relations have remained harmonious & in developing stage throughout the year.

RATIO ANALYSIS:

Ratio Analysis	2021-22	2020-21	Variance (%)	Reasons if variance is more than 25%
Debtors Turnover	4.07	4.88	-16.68%	-
Inventory Turnover	15.93	20.27	-21.42%	-
Interest Coverage Ratio	43.46	30.12	44.30%	All the long term borrowing has been paid during the year resulted to increase in the ratio.
Current Ratio	2.93	2.58	13.76%	-
Debt Equity Ratio (%)	0.00%	8.94%	-100.00%	The company is debt fee resulted to decrease in the ratio.
Operating Profit Margin (%)	30.85%	35.19%	-12.33%	-
Net Profit Margin (%)	16.92%	24.24%	-30.19%	The cost of increase in raw materials and utilities during the year has resulted into decrease in the ratio.
Return on Net worth (%)	15.39%	22.24%	-30.79%	The decrease in the net profit in terms of percentage has resulted into decrease in the return on net worth.

Precautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations, etc. may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company's operations include economic and political condition in India and in the countries in which the Company operates, volatility in currency rates, changes in government regulations and policies, tax laws, statutes and other incidental factors. The Company does not undertake to update these statements.

Business Verticals

API

- PDCL currently produces the entire range of Antacid Molecules available in the market.
- Antacids are medication that neutralizes stomach acid to cut down on heartburn, sour stomach, acid indigestion, and stomach upset, symptoms of Gastroesophageal Reflux Disease (GERD also called acid reflux), heartburn or indigestion (also called dyspepsia).
- They contain ingredients such as aluminium, calcium, magnesium, or sodium bicarbonate which act as bases (alkalis) to counteract stomach acid and make its pH more neutral.
- Some such products are formulated to minimize such effects through the inclusion of equal concentrations of magnesium hydroxide or magnesium carbonate, which have counterbalancing laxative effects.



API

Business Verticals

FINE CHEMICALS



FINE CHEMICALS

- The company manufactures Fine chemicals that are inorganic molecules produced in kilogram to multi- ton quantities by conventional or chemical processes.
- Applications that involve the use of fine chemicals include catalysts, adhesives, food, and specialty polymers for advanced composites etc. Similarly, fine chemicals are also employed in the agrochemical industry for manufacturing pesticides, fungicides, and herbicides through rigorously controlled contamination prevention protocols.

SOCIAL CARE TOWARDS THE SOCIETY

Overview

The combination of innovation, new technologies and industrial know-how must remain profoundly embedded within a strategy of sustainable development. It is a virtuous circle placed at the very heart of our corporate project which brings us together around the fundamental values of humanism, innovation, commitment and customer focus.

Crisis periods frequently remind us of what is essential in life. Now more than ever, we are convinced that the company has been on the right path for many years. It is a strategy of local industry rooted within communities from which we develop international export objectives.

Company to make global impact strive to endeavor to make a voluntary commitment to a system designed around the principles of human rights, employment rights, health ,hygiene and environment. We all have a role to play in tackling the issues faced by society. The industry of the future must reconcile local and international activities, based on sustainable production of necessary, non-superficial goods.



Corporate social responsibility, or CSR, refers to the belief that businesses have an obligation to society beyond their commitments to the stockholders or investors. In addition to generating profits, companies are expected to have some responsibility to stakeholders such as employees, customers, communities, and the environment. CSR includes corporations being economically responsible, improving labor practices, embracing fair trade, mitigating environmental damage, giving back to the community, and increasing employee satisfaction.

The company continues to invest in addressing the most pressing needs of the community, focusing on health during the year. CSR activity to provide truly world class health care to diabetic patients at nominal charges and to design a one year package for diabetic patients which consists of diagnostic tests and treatment for various parts of body which are affected by diabetes. And Company provide required dental equipments, medicines and basic need to start the Dental Department to help to prevent, treat Dental Patients in need, and to provide timely access to sound health services at a reduced rate and to take care and concern of the less privileged people of the society.





Health and Wellness

Diabetes is systematic, life style Disease which is lifelong. Awareness is sorely missing and the lifelong treatment is huge financial burden for lower middle class and below poverty line patients. Mortality and morbidities are massive. Worldwide, more than 366 million People are affected by Diabetes and 4.6 million deaths every year. More than 62 million Indians are diabetic causing 1 million Deaths every Year. According to the latest NJCM report, 9% of Urban Gujarat and 4% Rural Gujarat Population is already diabetic and surprisingly 42% of cases are undetected.

In our own humble ways, Rotary Club of Rajkot Midtown Charitable Trust render a helping hand to the socio-economically deprived patients in and around Rajkot. They examine and evaluate patients, provide laboratory assessment and offer expert advice on diet, exercises and management of Diabetes and related diseases, dental & ophthalmic care and all these at highly subsidized costs or even free at times.
They have designed a complete year-long treatment of diagnostic tests and treatment for various parts of body which are affected by diabetes.

They identified and treat around 275 patients who are need based and coming from low-income group for whom the treatment is huge financial burden. Care and concern to the less privileged is a core contribution and focus.

The Project has implemented around Rajkot District as urban lifestyle is one of the major causes of the disease. Also, regular monthly visit for consulting Diabetologist and Dietician as a part of one-year treatment.

They have good team of Centre Head, Diabetologist, Pathologist , Cardiologist, Dental Surgeon, Ophthalmic Surgeon, Diabetic Foot Surgeon, Optometrist, Medical Officer, Dietician, Laboratory Technician, Phlebotomist, Laboratory Assistant, Back Office Executive, Receptionist, Helpers, Ground Staff

The hospital is equipped with HMS (Hospital Management System) and LIMS (Laboratory Information Management System) which gives us the required reports and stores all the data of every patient.

The sustainability of the project is that during the span of this project and also as part of the annual treatment they will introduced the series of Educative Seminars all-round the year which educates the patient and their family members about how to combat with the curse of Diabetes. Since this is the life style disease and the goal is to make the patient believe that diabetes can be controlled easily and if it is controlled, he/she will live healthy. Thus, the main objective of the project is to provide truly world class health care to diabetic patients at nominal charges, as established by Rotary Midtown Diabetes Prevention & Management Centre – A comprehensive ultramodern Diabetes Management Centre by Rotary Club of Rajkot Midtown Charitable Trust and they have designed a 1 year package for diabetic patients which consists of diagnostic tests and treatment for various parts of body which are affected by diabetes.







The Indian Red Cross Society (IRCS) is a voluntary humanitarian International organization having a network of over 1100 branches throughout the country, providing relief in times of disasters/emergencies and promotes health & care to the vulnerable people and communities. The Mission of the Indian Red Cross is to inspire, encourage and initiate at all times all forms of humanitarian activities to minimize and even prevent and thus, contribute to creating more congenial climate for peace. Operational since the time of independence, relentless service of Bhavnagar Branch of IRCS has created a distinguished identity of the organization. In the span of more than 60 years, it has served more than 3.0 million patients every year. Moreover, it currently runs more than 36 healthcare programs at its various sub-branches.

The Company has implemented Project “Samvedana” with Indian Red Cross Society, Bhavnagar and established Dental Care Department and provide required dental equipments, medicines and basic need to start the Dental Department with objective of to prevent, treat Dental Patients in need, to provide timely access to sound health services at a reduced rate and to take care and concern of the less privileged.

The Organization must be rooted in community and be aligned with the community's larger interests. Any adversarial relationship can hurt the company's ability to create longer term value. The Company is always desirous to perform the duty towards the society.



Certificate of Appreciation
from Central Board of Indirect Taxes and Customs





Financial Statements

2021-2022



INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
PAR DRUGS AND CHEMICALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of PAR DRUGS AND CHEMICALS LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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

Key Audit Matters

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

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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for Standalone Financial Statements

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

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

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

Auditor's 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 Standards on Auditing ("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 Standards on Auditing ("SAs"), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements:

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

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 31.4 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, 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.

v. The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 31.5 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, 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.

vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

vii. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

V DHAMSANIA & ASSOCIATES
(Firm Registration No – 132499W)
CHARTERED ACCOUNTANTS

Sd/-

VIPUL V DHAMSANIA (Partner)
M.No.140836
Bhavnagar, 7th May, 2022
UDIN - 22140836AIPBAX1524

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ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of PAR DRUGS AND CHEMICALS LIMITED, for the year ended 31st March, 2022.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its property, plant and equipment. The accounting aspects of property, plant and equipment are dealt with Ind AS 16. The company has also maintained proper records showing full particulars of intangible assets, if any.
   (b) These fixed assets have been physically verified by the management at reasonable intervals and there was no Material discrepancies were noticed on such verification.
   (c) All immovable assets of company and the title deeds of immovable properties are held in the name of the company.
   No any property, plant and equipment (including right to use assets) or intangible asset have been revalued during the year.
   (d) No any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2. (a) Physical verification of inventory has been conducted at reasonable intervals by the management and there are no material discrepancies were noticed. The coverage and procedure of such verification by the management is appropriate.
   (b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

3. (a) The company has not provided any loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity other than companies whose principal business is to give loans.
   (b) No any investment made, guarantees provided, security given and none of the term and conditions of the grant of all loans and advances are prejudicial to the company's interest. No any amount is overdue for more than ninety days. No any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or

extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(c) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment,

4. In respect of loans, investments, guarantees and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5. The company has not accepted any deposits.

6. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records u/s. 148 of the Companies Act, 2013 and are of opinion that prima-facie prescribed accounts have been made and maintained. We have not however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7 (a) The company is regular in depositing undisputed statutory dues including Goods and Service Tax, Provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

(b) Dues of income tax or goods and service tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time and there is no dispute is pending on the part of company.

8. No any transactions which are not recorded in the books of account, have been surrended or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) The company has not made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

(b) No any bank or financial institution or other lender has declared the company as a defaulter.

(c) The company has applied term loans for the purpose for which the loans were obtained.

(d) Funds raised on short term basis have not been utilized for long term purposes.

(e) The company doesn't have any subsidiaries, associates or joint ventures.

(f) Since company doesn't have any subsidiaries, associates or joint ventures, No question of raising fund on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10. (a) The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments).
(b) The company has not made any preferential allotment or private placement of shares of convertible debentures during the year, other than bonus shares on equity shares. In respect of issue of bonus shares, the company has complied with the provisions of the companies act, 2013.

11. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately. Hence , no any seprate disclosure required under sub-section (12) of section 143 of the companies act in prescribed form of ADT-4. No any whistle-blower complaints have been filed.

12. Company is not a Nidhi Company, therefore, nothing to be disclosed for any provisions applicable on Nidhi Company.

13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;

14. The company has the proper internal audit system commensurate with the size and nature of its business. We have broadly reviewed the reports of the internal auditors for the period under audit.

15. The company hasn't entered into any non-cash transactions as described in section 192 of the Companies Act with directors or persons connected with him.

16. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from RBI.
(c) The company is not a Core Investment Company(CIC) as defined in the regulations made by the RBI.

17. The company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

18. There has not been any case of resignation of the statutory auditors during the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the onion that no material uncertainty exists as on the date of the

audit report. 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.

20. There is no any unspent amount to Fund specified in Schedule VII or shortfall which to be spent by the company in respect to CSR activities in compliance with section 135 of the companies act,2013.

21. There have not been any qualifications or adverse remarks in the Companies (Auditor's Report) Order (CARO) reports of the companies.

V DHAMSANIA & ASSOCIATES
(Firm Registration No – 132499W)
CHARTERED ACCOUNTANTS

Sd/-

VIPUL V DHAMSANIA (Partner)
M.No.140836
Bhavnagar, 7th May, 2022
UDIN - 22140836AIPBAX1524

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of PAR DRUGS AND CHEMICALS LIMITED ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

V DHAMSANIA & ASSOCIATES
(Firm Registration No – 132499W)
CHARTERED ACCOUNTANTS

Sd/-

VIPUL V DHAMSANIA (Partner)
M.No.140836
Bhavnagar, 7th May, 2022
UDIN - 22140836AIPBAX1524

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(CIN : L24117GJ1999PLC035512)
Registered Office : 815, Nilamber Triumph, Gotri Vasna Road, Vadodara (Gujarat)
Phone No. +91-265-2991020/2991022, Email: admin@pardrugs.com Website: www.pardrugs.com

BALANCE SHEET AS AT 31ST MARCH, 2022

	Particulars	Note No.	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
	ASSETS			
(1)	**Non-Current Assets**			
	(a) Property, Plant and Equipment	2	3,410.31	2,990.81
	(b) Capital Work-in-Progress	3	24.83	452.23
	(c) Investment in Property		-	-
	(d) Goodwill		-	-
	(e) Other Intengible Assets		-	-
	(f) Intengible Assets Under Development		-	-
	(g) Biological Assets Other Than Bearer Plant		-	-
	(h) Financial Assets			
	(i) Investments	4	1.00	1.00
	(ii) Trade receivables		-	-
	(iii) Loans		-	-
	(i) Deferred Tax Assets (net)		-	-
	(j) Other non-current assets	5	76.48	75.82
	Total Non-Current Assets		**3,512.63**	**3,519.86**
(2)	**Current Assets**			
	(a) Inventories	6	471.27	299.67
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables	7	1,846.72	1,245.14
	(iii) Cash and cash equivalents	8	1,620.64	2,116.38
	(iv) Bank balances other than (iii) above		-	-
	(v) Loans	9	5.02	3.08
	(vi) Other Financial Assets		-	-
	(c) Current Tax Assets (Net)	10	322.00	345.74
	(d) Other Current Assets	11	90.74	108.54
	Total Current Assets		**4,356.39**	**4,118.55**
	TOTAL ASSETS		**7,869.02**	**7,638.41**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	12	1,230.46	615.23
	(b) Other Equity	13	4,757.26	4,606.22
	Total Equity		**5,987.72**	**5,221.45**
	Liabilities			
(1)	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	14	-	439.18
	(ia) Lease Liabilities		-	-
	(ii) Trade Payables:-			
	(A) Total outstanding dues of micro and small enterprises; and		-	-
	(B) Total outstanding dues of creditors other than micro and small enterprises		-	-
	(iii) Other financial libilities		-	-
	(b) Provisions	15	40.56	39.35
	(c) Deferred Tax Libilities (Net)	16	355.00	340.51
	(d) Other Non-Current Liabilities		-	-
	Total Non-Current Liabilities		**395.56**	**819.03**
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	17	-	324.79
	(ia) Lease Liabilities		-	-
	(ii) Trade Payables:-	18		
	(A) Total outstanding dues of micro and small enterprises; and		27.51	7.26
	(B) Total outstanding dues of creditors other than micro and small enterprises		1,038.67	664.52
	(iii) Other financial libilities		-	-
	(b) Other Current Liabilities	19	79.62	246.50
	(c) Provisions	20	339.94	354.85
	(d) Current Tax Libilities (Net)		-	-
	Total Current Liabilities		**1,485.74**	**1,597.92**
	TOTAL EQUITY AND LIBILITIES		**7,869.02**	**7,638.41**
	Significant Accounting Policies	1		
	Notes forming part of the financial statements	2-35		

As per our report of even dated.

For, V Dhamsania & Associates
Firm Regn. No.132499W
Chartered Accountants

Sd/-

Vipul V. Dhamsania (Partner)
M.No.140836
UDIN - 22140836AIPBAX1524

Bhavnagar, 7th May, 2022

For and on behalf of Board of Directors of
Par Drugs and Chemicals Limited

Sd/-

Mr. Falgun V. Savani
(Chairman & Managing Director)
(DIN - 00198236)

Sd/-

Chintan P Chauhan
(CFO)

Bhavnagar, 7th May, 2022

Sd/-

Mr. Jigneshbhai V. Savani
Director & CEO
(DIN - 00198203)

Sd/-

Sanket B Trivedi (CS)
(M.No.- 51758)

PAR DRUGS AND CHEMICALS LIMITED
(CIN : L24117GJ1999PLC035512)
Registered Office : 815, Nilamber Triumph, Gotri Vasna Road, Vadodara (Gujarat)
Phone No. +91-265-2991020/2991022, Email: admin@pardrugs.com Website: www.pardrugs.com

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

	Particulars	Note No.	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
I.	Revenue from operations	21	7,507.44	6,075.13
II.	Other income	22	18.39	18.94
III.	**Total Income (I + II)**		**7,525.83**	**6,094.07**
IV.	**Expenses:**			
	Cost of materials consumed	23	2,961.00	2,209.24
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	24	-78.69	-21.39
	Employee benefits expense	25	410.13	397.84
	Finance costs	26	45.42	64.23
	Depreciation and amortization expense	27	328.12	281.94
	Other expenses	28	2,589.53	1,888.15
	Total expenses (IV)		**6,255.51**	**4,820.02**
V.	**Profit / (loss) before exceptional items and tax (III-IV)**		**1,270.32**	**1,274.04**
VI.	Exceptional items	29	-	-198.57
VII.	**Profit / (loss) before tax (V - VI)**		**1,270.32**	**1,472.61**
VIII.	Tax expense:			
	(1) Current tax		334.50	336.10
	(2) Deferred tax		14.49	-24.61
IX	**Profit / (Loss) for the period from continuing operations (VII-VIII)**		**921.33**	**1,161.12**
X	Profit / (loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	**Profit / (loss) from Discontinued operations (after tax) (X-XI)**		-	-
XIII	**Profit / (Loss) for the period (IX + XII)**		**921.33**	**1,161.12**
XIV	**Other Comprehencive Income**			
	A (i) items that will not be reclassified to profit or loss		-	-
	(ii) income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) items that will be reclassified to profit or loss		-	-
	(ii) income tax relating to items that will be reclassified to profit or loss		-	-
XV	**Total Comprehencive Income for the period (comprising profit / (loss) and other comprehencive income for the period) (XIII + XIV)**		**921.33**	**1,161.12**
XVI	Earnings per equity share (for discontinued operation)	30		
	(1) Basic		-	-
	(2) Diluted		-	-
XVII	Earnings per equity share (for discontinued & continuing operation)	30		
	(1) Basic		7.49	18.87
	(2) Diluted		7.49	18.87
	Significant Accounting Policies	1		
	Notes forming part of the financial statements	2-35		

As per our report of even date

For, V Dhamsania & Associates
Firm Regn. No.132499W
Chartered Accountants

Sd/-

Vipul V. Dhamsania (Partner)
M.No.140836
UDIN - 22140836AIPBAX1524

Bhavnagar, 7th May, 2022

For and on behalf of Board of Directors of
Par Drugs and Chemicals Limited

Sd/-

Mr. Falgun V. Savani
(Chairman & Managing Director)
(DIN - 00198236)

Sd/-

Chintan P Chauhan
(CFO)

Bhavnagar, 7th May, 2022

Sd/-

Mr. Jigneshbhai V. Savani
Director & CEO
(DIN - 00198203)

Sd/-

Sanket B Trivedi (CS)
(M.No.- 51758)

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CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR PERIOD ENDED 31ST MARCH, 2022

Rs in Lakhs

PARTICULARS	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	1,270.32	1,472.61
Adjusted for:		
Depreciation	328.12	281.94
Income-tax/Prior Year Adjustment	-1.26	-1.12
Interest Expense	37.65	60.26
Rent, Interest & Dividend Income	-18.39	-13.27
Profit on Slump Sale of Ankleshar Unit	-	-198.57
Profit/Loss on sale of assets	-	-0.03
	346.12	129.21
Operating Profit / (loss) before working capital changes	1,616.44	1,601.82
Adjustments for changes in working capital		
Adjustments for (increase)/decrease in operating assets		
Loans & Other Non-Current Assets	-0.66	-5.32
Inventories	-171.60	-7.99
Trade Receivables	-601.58	-8.31
Loans (Current Assets)	-1.94	-30.14
Other Current Assets	17.80	-12.36
Adjustments for increase/(decrease) in operating liabilities		
Provisions (Non-Current Liabilities)	1.21	0.72
Provisions (Current Liabilities)	-13.31	0.80
Other Current Liabilities	-166.88	-22.61
Trade Payables	394.40	51.33
	-542.56	-33.87
Cash Generated from / (used in) Operating activities	**1,073.88**	**1,567.95**
Less: Income-Tax paid	-312.36	-359.45
Net Cash genereated from / (used in) Operating Activities:	**761.52**	**1,208.51**
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-320.23	-504.91
Sales of Fixed Assets	-	492.06
Sale of Investment	-	4.65
Rent, Interest & Dividend Income	18.39	13.27
	-301.84	5.07
Net Cash generated from / (used in) Investing Activities:	**-301.84**	**5.07**
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Shares	-	-
Proceeds from Long Term Borrowings	-	-
Repayment of Long Term Borrowings	-439.18	-22.73
Repayment of Short Term Borrowings	-324.79	324.79
Dividend Paid	-153.81	-76.90
Interest paid	-37.65	-60.26
	-955.42	164.89
Net Cash generated from / (used in) Financing Activities:	**-955.42**	**164.89**
Net Increase/(Decrease) in Cash and Cash Equivalents	**-495.74**	**1,378.47**

PAR DRUGS AND CHEMICALS LIMITED
(CIN : L24117GJ1999PLC035512)
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CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR PERIOD ENDED 31ST MARCH, 2022

Rs in Lakhs

P A R T I C U L A R S	2021-2022	2020-2021
Opening Balance of Cash and Cash Equivalents	2,116.38	737.92
Closing Balance of Cash and Cash Equivalents	1,620.64	2,116.38
Total:	**-495.74**	**1,378.47**

1. Purchase of fixed assets are stated inclusive of movement of Capital Work in Progress and advance for capital goods between the commencement and end of the year and are considered as part of investing activity.
2. The cash flow statement has been prepared under the "indirect method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

Notes forming part of the financial statements	2-35

As per our report of even dated.

For, V Dhamsania & Associates
Firm Regn. No.132499W
Chartered Accounts

Sd/-

Vipul V. Dhamsania (Partner)
M.No.140836

Bhavnagar, 7th May, 2022

UDIN - 22140836AIPBAX1524

›r and on behalf of Board of Directors

Sd/-

Falgun V Savani (Chairman & MD)
(DIN - 00198236)

Sd/-

Jigneshbhai V Savani (Director & CEC
(DIN - 00198203)

Sd/-

Chintan P Chauhan (CFO)

Sd/-

Sanket B Trivedi (Company Secretary
(M.No.- 51758)
Bhavnagar, 7th May, 2022

PAR DRUGS AND CHEMICALS LIMITED

Notes to Financial Statement for the year ended on 31st March, 2022

NOTES NO.01 : SIGNIFICANT ACCOUNTING POLICIES

(A) Corporate Information

Company was originally incorporated on February 26, 1999 as Par Drugs and Chemicals Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Ahmedabad, Gujarat. Company was converted in to Public Limited Company and consequently name of company was changed from Par Drugs and Chemicals Private Limited to Par Drugs and Chemicals Limited vide special resolution passed by the Shareholders at the Extraordinary General Meeting held on October 24, 2018 and a fresh certificate of incorporation dated November 5, 2018 issued by the Registrar of Companies, Ahmedabad.

The Company is primarily engaged in manufacturing of Active Pharma Ingredients and fine chemicals (API) for domestic market as well as for exports to international markets. APIs, also known as “bulk drugs” or “bulk actives” are the principal ingredient used in making finished dosages in the form of capsules, tablets, liquid, or other forms of dosage, with the addition of other APIs or inactive ingredients.

(B) Significant Accounting Policies

1) Basis of Preparation of Financial Statement

These financial statements are prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (“Ind AS”) and other accounting principles generally accepted in India under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2) Use of Estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the use-full lives of fixed tangible assets and intangible assets. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3) Property, Plant and Equipment and Intangible assets & Depreciation:

Tangible Assets:

All items of fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred

Depreciation on fixed assets is provided on pro rata basis as per WDV method based on the estimated useful life of various assets, as specified in Schedule II of the Companies Act, 2013.

Intangible Assets:

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes and allocated incidental

expenditure during development / acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

Subsequent expenditure relating to intangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Assets Acquired as Lease:

Leases under which the Entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense in the Proft and Loss Account on a straight-line basis over the lease term.

The cost of leasehold land is amortized over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortized over the lease term or useful life, whichever is lower.

Advances paid towards the acquisition of Property, Plant and Equipment

Advances paid towards the acquisition of Property, Plant and Equipment, outstanding at each balance sheet date are shown under capital advances. The cost of the Property, Plant and Equipment not ready for its intended use on such date, is disclosed under capital work-in- progress.

4) Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

5) Investments:

Investments, which are readily realizable and intended to be held for not more than 12 months from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment

basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

6) Inventories : The inventories are valued on the following basis :

a) Raw Materials : Valued at Cost Price.

b) Finished goods : Valued at lower of Cost or Net Realizable Value.

c) Stock in Process : Valued at Cost Price.

7) Employee Benefits:

All short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

The Company's liability towards gratuity and compensated absences, being defined benefit plans are accounted for on the basis of an independent actuarial valuation and actuarial gains/losses are charged to the Statement of Profit and Loss.

8) Revenue Recognition:

(A) Revenue/income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred, except those with significant uncertainties.

(B) Sales are recognized at the point of dispatch of goods to the customers. Sales are net of discounts, GST and returns.

(C) Interest income is recognized on time proportion basis.

(D) Dividend on Investments is accounted when approved by the shareholders' in the annual general meeting.

(E) Insurance claim receivable is recognized in the year of the loss to the extent ascertainable.

(F) The CENVAT / GST Credit available on purchase of raw materials / capital items and other eligible inputs are adjusted against GST payable on clearance of finished goods.

9) Foreign Currency Transaction:

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates.

The difference in translation of monetary assets and liabilities and realized gains and losses on foreign transactions are recognized in the Statement of Profit and Loss.

The premium or discount on forward exchange contracts is recognized in the statement of profit and loss over the period of the contract.

10) Accounting for Government Grants/Refunds:

Government grants/subsidies and refunds due from Government Authorities are accounted when there is reasonable certainty of their realization.

11) Taxation

Tax expenses comprise current tax (amount of tax for the period determined in accordance with the Income Tax Regulations in India) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date, Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, when there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized

Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each Balance Sheet date.

Company has policy of not considering MAT tax credit available to them under the Income Tax Act.

12) Borrowing Cost:

Borrowing Costs relating to the acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charge to revenue.

13) Earning Per Share:

Basic earning per share is calculated by dividing the net profit or loss after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding during the year.

Diluted earning per Share is calculated by dividing net profit or loss attributable to equity Shareholders by the weighted average number of equity shares outstanding during the year with adjustment of all dilutive potential equity shares.

14) Provisions, Contingent Liabilities & Contingent Assets:

The company recognizes as provisions, the liability being present obligations arising from past events, the settlement of which is expected to result in outflow of resources and which can be measured only by using a substantial degree of estimation. Contingent liabilities are disclosed by way of a note to the financial statement after careful evaluation by the management of the facts and legal aspect of the matters involved. Contingent assets are being neither recognized nor disclosed.

15) Curent Assets, Loans And Avances

The balance under items of Sundry Debtors, Loans and Advances and current liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However, in the opinion of the Management, the realisable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

16) Cash Flow

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

operating, investing and financing activities of the Company are segregated, accordingly.

17) Segment Reporting

As the company is dealing in only one segment i.e. manufacturing industry, API, hence segment reporting is not applicable. Company does not have distinguishable component of an enterprise that is engaged in providing an individual product or service or group of related product or services and that is subject to risks and returns that are different from those of other business segment.



NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.2. PROPERTY, PLANT AND EQUIPMENT :(NON-CURRENT ASSETS) **Rs in Lakhs**

Particulars	Land	Buildings	Plant & Machineries	Furniture & Fixtures	Vehicles	Others	Total
Gross carrying amount							
As on 01-04-2021	33.21	1,388.86	3,288.01	33.81	236.97	273.29	5,254.15
Additions	-	134.75	493.07	52.62	26.41	40.76	747.62
Disposals	-	-	-	-	-	-	-
Effect of foreign exchange movements	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-
As on 31.03.2022	**33.21**	**1,523.62**	**3,781.08**	**86.43**	**263.39**	**314.05**	**6,001.78**
Depreciation and impairments							
As on 01-04-2021	-	366.13	1,528.82	26.73	162.65	179.02	2,263.35
Depreciation	-	47.50	199.11	5.83	40.33	35.34	328.12
Impairments	-	-	-	-	-	-	-
Effect of foreign exchange movements	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-
As on 31.03.2022	**-**	**413.63**	**1,727.94**	**32.56**	**202.98**	**214.36**	**2,591.46**
Net book value 31.03.2022	**33.21**	**1,109.99**	**2,053.15**	**53.87**	**60.41**	**99.69**	**3,410.31**
Net book value 31.03.2021	33.21	1,022.74	1,759.19	7.08	74.32	94.27	2,990.81

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.3. CAPITAL WORK-IN-PROGRESS :(NON-CURRENT ASSETS) **Rs in Lakhs**

Particulars	Factory Building-WIP	Plant & Machinery - WIP	Furniture & Fixtures - WIP	Total
Gross carrying amount				
As on 01-04-2021	105.66	319.19	27.37	452.23
Additions	24.83	-	-	24.83
Disposals	-	-	-	-
Effect of foreign exchange movements	-	-	-	-
Other movements	-105.66	-319.19	-27.37	-452.23
As on 31.03.2022	**24.83**	**-**	**-**	**24.83**
Depreciation and impairments				
Depreciation	-	-	-	-
Impairments	-	-	-	-
Effect of foreign exchange movements	-	-	-	-
Other movements				
As on 31.03.2022	**-**	**-**	**-**	**-**
Net book value 31.03.2022	**24.83**	**-**	**-**	**24.83**
Net book value 31.03.2021	**105.66**	**319.19**	**27.37**	**452.23**

CAPITAL WORK-IN-PROGRESS AGING SCHEDULE **Rs in Lakhs**

Capital Work-In-Progress	Amount in Capital WIP for a period of				
	Less than 1 Year	1-2 year	2-3 year	More than 3 year	Total
Project in progress- Factory Building	24.83	-	-	-	**24.83**
Projects temporarily suspended	-	-	-	-	**-**

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.4. INVESTMENTS (NON-CURRENT - FINANCIAL ASSETS) :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
1 Investments in Mutual Fund (Quoted);		
a) ABCL Low Duration Fund	1.00	1.00
TOTAL: INVESTMENTS	**1.00**	**1.00**

NOTES No.5. OTHER NON-CURRENT ASSETS (NON-CURRENT-FINANCIAL ASSETS) :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
1 **Security Deposits;**		
a Unsecured, considered good;	54.30	53.64
	54.30	**53.64**
2 **Other loans and advances:** Unsecured, considered good;		
a Income Tax Refund Receivable	15.01	15.01
b Mat Tax Credit	7.17	7.17
	22.18	22.18
TOTAL: LOANS	**76.48**	**75.82**

NOTES No.6. INVENTORIES :(CURRENT ASSETS)

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
- Raw Materials.	123.72	41.34
- Finished goods.	283.23	174.48
- Semi-finished goods.	22.69	52.75
- Packing Material.	22.98	23.45
- Fuel, Fire wood & lignite	18.65	7.66
TOTAL: INVENTORIES	**471.27**	**299.67**

- Raw material, Packing materials, fuel & Consumable are valued at cost on FIFO method. Cost includes purchase value, freight and duties & taxes.
- Finished goods and Semi finished goods are valued at lower of cost or net realisable value on FIFO method.
- The quantity and value of the stock as taken & certififed by the directors of the company.

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.7. TRADE RECEIVABLES :(CURRENT ASSETS-FINANCIAL ASSETS)

1 Trade Receivables Aging Schedule	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Particulars		
Outstanding for Less than 6 months		
Undisputed Trade receivables – considered good	1,786.36	1,242.73
Undisputed Trade Receivables – considered doubtful	-	-
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Outstanding for 6 months - 1 years		
Undisputed Trade receivables – considered good	57.84	0.01
Undisputed Trade Receivables – considered doubtful	-	-
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Outstanding for 1 years - 2 years		
Undisputed Trade receivables – considered good	2.07	2.13
Undisputed Trade Receivables – considered doubtful	0.45	0.28
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Outstanding for 2 years - 3 years		
Undisputed Trade receivables – considered good	-	-
Undisputed Trade Receivables – considered doubtful	-	-
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Outstanding for More than 3 years		
Undisputed Trade receivables – considered good	-	-
Undisputed Trade Receivables – considered doubtful	-	-
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
TOTAL: TRADE RECEIVABLES	**1,846.72**	**1,245.14**

NOTES No.8.CASH AND CASH EQUIVALENTS:(CURRENT ASSETS-FINANCIAL ASSETS)

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Cash and cash equivalents:		
a Balances with banks;		
In current accounts	1,519.42	1,814.91
b Cash on hand	1.06	1.48
	1,520.49	1,816.38
c Deposits with Banks maturity more than 3 months but less than 12 months	100.16	300.00
TOTAL: CASH AND CASH EQUIVALENTS	**1,620.64**	**2,116.38**

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.9. LOANS (CURRENT ASSETS - FINANCIAL ASSETS) :

		AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Other loans			
	Unsecured, considered good unless stated otherwise:		
a	Loans to Employee	5.02	3.08
		5.02	3.08
	TOTAL: LOANS	**5.02**	**3.08**

NOTES No.10. CURRENT TAX ASSETS (NET): (CURRENT ASSETS)

		AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
a	Advance Payment of Taxes	322.00	345.74
	TOTAL: CURRENT TAX ASSETS (NET)	**322.00**	**345.74**

NOTES No.11. OTHER CURRENT ASSETS: (CURRENT ASSETS)

		AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Other Current Assets:			
	Unsecured, considered good unless stated otherwise:		
a	Pre-paid Expense	4.79	5.49
b	Balances with Govt. Authorities	-	-
c	Other (Interest Receivable)	-	1.45
d	Other (MEIS Receivable)	7.38	12.26
e	Advance to suppliers of goods & services.	78.57	89.33
		90.74	**108.54**
	TOTAL: OTHER CURRENT ASSETS	**90.74**	**108.54**

PAR DRUGS AND CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.12. EQUITY SHARE CAPITAL :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
1 Authorised Shares:authorized;		
1,25,00,000 (Prev.Yr.87,50,000) Equity Shares of Rs.10/- each.	1,250.00	875.00
	1,250.00	875.00
2 Issued, subscribed and fully paid Shares		
1,23,04,636 (Prev.Yr 61,52,318) Equity Shares of Rs.10/- each Fully paid up	1,230.46	615.23
	1,230.46	615.23

3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

Equity Shares	AS AT 31.03.2022 No. of Shares	AS AT 31.03.2021 No. of Shares
At the beginning of the period	61,52,318	61,52,318
Issued during the period	61,52,318	
Outstanding at the end of the period	1,23,04,636	61,52,318

4 Terms & Right attached to Equity Shares

Equity Shares: The company has only one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend if any proposed by the Board of Director is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts and payment of preference shareholders, in proportionate to their shareholding.

5 Reconciliation of share capital outstanding at the beginning and at the end of the reporting period;

a) Share Capital at the end of the year 31st March, 2022 **Rs in Lakhs**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
615.23 (61,52,318 Equity Shares of Rs.10/- each Fully paid up)	-	615.23 (61,52,318 Equity Shares of Rs.10/- each Fully paid up)	615.23 (61,52,318 Bonus shares of Rs.10/- each fully paid issued during the period)	1,230.46 (1,23,046,360 Equity Shares of Rs.10/- each Fully paid up)

b) Share Capital at the end of the year 31st March, 2021 **Rs in Lakhs**

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
615.23 (61,52,318 Equity Shares of Rs.10/- each Fully paid up)	-	615.23 (61,52,318 Equity Shares of Rs.10/- each Fully paid up)	- 	615.23 (61,52,318 Equity Shares of Rs.10/- each Fully paid up)

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

6 Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

	AS AT 31.03.2022 No. & (%)of Shares Held	AS AT 31.03.2021 No. & (%)of Shares Held
a) Equity Shares, fully paid up:		
Jignesh Vallabhbhai Savani	2692440 (21.88%)	1340220 (21.78%)
Falgun Vallabhbhai Savani	2645952 (21.5%)	1322976 (21.5%)
Vallabhbhai Jivabhai Savani	2401472 (19.52%)	1197236 (19.46%)
Ghanshyambhai B Savani	802284 (6.52%)	394642 (6.41%)

7 Shares in the company held by each promoter at the end of the year

Sr No	Promoter Name	No. of Shares (%of Total Shares)	% Change During the Year
1	Falgun Vallabhbhai Savani	2645952 (21.5%)	0.00%
2	Jignesh Vallabhbhai Savani	2692440 (21.88%)	0.46%
		5338392 (43.39%)	0.23%
		-	

PAR DRUGS AND CHEMICALS LIMITED
(CIN : L24117GJ1999PLC035512)
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Phone No. +91-265-2991020/2991022, Email: admin@pardrugs.com Website: www.pardrugs.com

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.13. OTHER EQUITY :

1) Other Equity Fund as on 31.03.2022 — **Rs in Lakhs**

			Reserves and Surplus												
	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium	General Reserve	Surplus/(Deficit) in the statement of Profit & Loss	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a	Other items of Other Comprehensive Income(specify nature)	Money received against share warrants	Total
Balance at the beging of the current reporting period	-	-	6.86	1,682.49	3.50	2,913.37	-	-	-	-	-	-	-	-	4,606.22
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	6.86	1,682.49	3.50	2,913.37	-	-	-	-	-	-	-	-	4,606.22
Total Comprehensive Income for the current year															
Profit/(Loss) for the year	-	-	-	-	-	921.33	-	-	-	-	-	-	-	-	921.33
LESS :															
Interim Dividend to Equity Shareholders	-	-	-	-	-	-153.81	-	-	-	-	-	-	-	-	-153.81
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income-tax Adj. of earlier year	-	-	-	-	-	-1.26	-	-	-	-	-	-	-	-	-1.26
Issue of Bonus Shares	-	-	-	-615.23	-	-	-	-	-	-	-	-	-	-	-615.23
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	**-**	**-**	**6.86**	**1,067.26**	**3.50**	**3,679.64**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,757.26**

PAR DRUGS AND CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

2) Other Equity Fund as on 31.03.2021

Rs in Lakhs

			Reserves and Surplus												
	Share application money pending allotment	**Equity component of compound financial instruments**	**Capital Total Reserve**	**Securities Premium**	**General Reserve**	**Surplus/(Deficit) in the statement of Profit & Loss**	**Retained Earnings**	**Debt instruments through Other Comprehensive Income**	**Equity Instruments through Other Comprehensive Income**	**Effective portion of Cash Flow Hedges**	**Revaluation Surplus**	**Exchange differences on translating the financial statements of a foreign**	**Other items of Other Comprehensive Income(specify nature)**	**Money received against share warrants**	**Total**
Balance at the beging of the current reporting period	-	-	6.86	1,682.49	3.50	1,753.37	-	-	-	-	-	-	-	-	3,446.22
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	6.86	1,682.49	3.50	1,753.37	-	-	-	-	-	-	-	-	3,446.22
Total Comprehensive Income for the current year															
Profit/(Loss) for the year	-	-	-	-	-	1,161.12	-	-	-	-	-	-	-	-	1,161.12
LESS :															
Interim Dividend to Equity Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income-tax Adj. of earlier year	-	-	-	-	-	-1.12	-	-	-	-	-	-	-	-	-1.12
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	**-**	**-**	**6.86**	**1,682.49**	**3.50**	**2,913.37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,606.22**

PAR DRUGS AND CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.14. BORROWINGS (NON-CURRENT - FINANCIAL LIABILITIES) :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
1 **Secured**		
From Bank / Financial Institutions		
Car Loan From HDFC Bank	-	2.11
Term Loan From Kotak Mahindara Bank	-	124.79
Less: Current maturities of long-term debt	-	-68.15
	-	58.74
2 **Unsecured**		
From Directors & Shareholders	-	380.43
TOTAL: BORROWINGS	**-**	**439.18**

1 Car Loan taken from HDFC Bank Ltd during FY 2017-18, sanctioned of Rs.34.49 Lakhs and carries interest @ 8.25%. The loan is re-payable in 37 monthly instalments of Rs.1,05,895 each. Loan is sanctioned against hypothecation of Skoda Kodiac car purchased through loan, having registration no. GJ 06 LK 9191.

2 Term Loan taken from Kotak Mahindara Bank Ltd during FY 2017-18, sanctioned of Rs. 300 Lakhs and carries interest @8.75% floating. The loan is re-payable in 60 monthly instalments of Rs.6,19,117 each.

3 Term Loan is sanctioned with working capital limit of Rs.700 lakhs. All the loans are secured by the following securities

A) Primary Securities :

The hypothecation of all existing and future receivables/Current Assests/Movable Assest/Moveable Fixed Assests.

B) Collateral Securities :

1) Plot no.13, Spring View Residency, Nr.Vedant Bunglows-1, Bh. Bright CBSE School, Vasna Bhayli Road, Bhayli, Vododara-390007.

2) Plot No.42/B-4 & 42/B-3, Takhteshwar Plot,behind Madhav Hill,NR Waghwadi,Bhavnagar-364001.

3) Plot no.5901/1, Ankleshwar Industrial Estate, R.5 No.174 Paiki, Village:Sarangpur, Takula : Ankleshwar, Dist. Bharuch-393002.

4) Plot No.333/1, 333/2, 334 to 338, Chitra G.I.D.C, Rajkot Road, Bhavnagar-364004.

C) Gaurantees :

Personal gaurantee of Vallabhbhai J Savani, Jignesh V Savani, Falgun V Savani, Ghanshyam B Savani and Shishir M Trivedi.

D) Take-over Condition :

Kotak Mahindra Bank Ltd has sanctioned all the credit facilit as take over of facility wise outstanding including accrued intereset, foreclosure charges if any, from Union Bank of India.

4 Unsecured loan was taken from Mr Vallabhbhai J Savani (shareholder) for business purpose. Rate of interest is 12% yearly. The same is to be paid after re-payment of the term loans from the bank as per stipulated terms of contribution.

PAR DRUGS AND CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.15. PROVISIONS (NON-CURRENT - FINANCIAL LIABILITIES) :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
1 Provision for employee benefits		
Provision for Gratuity	40.56	39.35
TOTAL: PROVISIONS	**40.56**	**39.35**

NOTES No.16. DEFERRED TAX LIBILITIES (NET) :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Deferred Tax Liabilities		
1 Fixed Assets: Impact of difference between Book and Tax Depreciation	367.00	354.58
Gross Deferred Tax Liabilities	**367.00**	**354.58**
Deferred Tax Assets		
1 Provision for Gratuity.	12.00	14.07
Gross Deferred Tax Assets	**12.00**	**14.07**
TOTAL: DEFERRED TAX LIBILITIES (NET)	**355.00**	**340.51**

In accordance with accounting standard 22, Accounting for taxes on Income, issued by the Institute of Chartered Accountants India, the Deferred Tax Assets (net of Liabilities) is provided in the books of account as at the end of the year using the rate of taxes that have been enacted.

NOTES No.17. BORROWINGS (CURRENT LIABILITIES - FINANCIAL LIABILITIES) :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
1 Loans repayable on demand:		
From Bank (Secured)		
From Kotak Mahindra Bank Ltd	-	324.79
TOTAL: BORROWINGS	**-**	**324.79**

a) Cash Credit taken from Kotak Mahindara Bank Ltd sanctioned for Rs. 700.00 Lakhs and carries floating interest rate @ 8.75% p.a.

NOTES No.18. TRADE PAYABLES:- (CURRENT LIABILITIES - FINANCIAL LIABILITIES) :

Trade Payable Aging Schedule **Particulars**	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Outstanding for Less than 1 year		
Undisputed Dues of MSME	27.51	7.26
Undisputed Dues of Others	1,030.91	647.60
Disputed Dues of MSME	-	-
Disputed Dues of Others	-	-

Outstanding for 1 years - 2 years		
Undisputed Dues of MSME	-	-
Undisputed Dues of Others	1.60	11.55
Disputed Dues of MSME	-	-
Disputed Dues of Others	-	-
Outstanding for 2 years - 3 years		
Undisputed Dues of MSME	-	-
Undisputed Dues of Others	0.90	0.10
Disputed Dues of MSME	-	-
Disputed Dues of Others	-	-
Outstanding for More than 3 years		
Undisputed Dues of MSME	-	-
Undisputed Dues of Others	-	-
Disputed Dues of MSME	-	-
Disputed Dues of Others	5.27	5.27
TOTAL: TRADE PAYABLES:-	**1,066.18**	**671.78**

NOTES No.19. OTHER CURRENT LIABILITIES :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
1 Current maturities of long-term debt	-	68.15
2 Income received in advance/Advance from Customers	0.90	-
3 Unpaid dividends	0.03	0.05
4 Other Payables:		
Statutory liabilities	22.36	67.92
Provision for Expense	3.92	0.60
Provision for CSR Activity Expense	-	-
Remuneration Payable to Director	38.80	97.88
Salary & Wages Payable	13.62	11.89
	78.70	178.30
TOTAL: OTHER CURRENT LIABILITIES	**79.62**	**246.50**

NOTES No.20. PROVISIONS (CURRENT LIABILITIES - FINANCIAL LIABILITIES) :

	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
1 Provision for employee benefits		
Provision for Gratuity	5.44	18.75
	5.44	**18.75**
2 Others:		
Provision for Taxation.	334.50	336.10
Proposed Dividend to Equity Shareholders.	-	-
	334.50	**336.10**
TOTAL: PROVISIONS	**339.94**	**354.85**

PAR DRUGS AND CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.21. REVENUE FROM OPERATIONS :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Sales of Products		
Finished Goods Sold during the year:	7,420.01	5,987.64
GST Recovered.	977.52	831.52
	8,397.53	**6,819.16**
Other Operating Revenue		
Job & Other Work Income.(Bhavnagar)	41.17	33.05
Job Work Income. (Ankleshwar)	-	12.66
Discount, Kasar & Rebate	0.00	0.36
Duty Drawback & Export License Sale Income	14.04	35.01
Exchange Rate Difference	31.94	3.13
Misc. Income	0.27	3.28
	87.43	**87.49**
Revenue From operations (Gross)	**8,484.96**	**6,906.65**
Less : GST	977.52	831.52
TOTAL: REVENUE FROM OPERATIONS	**7,507.44**	**6,075.13**
FOB Value of Exports	1,792.74	970.56
Details of Sales of Products:		
Magnesium Hydroxide	1,925.35	1,349.83
Alluminium Hydroxide	1,158.88	806.89
Sucralfate	935.80	682.16
Precipitated Silica	2,305.63	2,126.89
Magnesium Trisilicate	171.56	294.38
Magaldrate	331.94	224.75
Magnesium Oxide	248.90	225.40
Allusil (Sodium All. Silicate)	31.31	55.67
Magnesium Alluminium Silicate	270.21	130.77
Magnesium Carbonate	12.16	84.59
Almagate	-	0.39
Freight	28.03	-
Others	0.25	5.91
Total	**7,420.01**	**5,987.64**

NOTES No.22. OTHER INCOME :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Interest Income	18.39	13.20
Other non-operating income:		
Insurnace & Other Claim Income	-	0.07
Donation W/Back Income	-	1.00
CSR Activity Fund W/Back	-	4.08
Bad Debt W/Back Income	-	0.55
Profit on Sale of Assets	-	0.03
	-	5.73
TOTAL: OTHER INCOME	**18.39**	**18.94**

PAR DRUGS AND CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.23. COST OF MATERIALS CONSUMED :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Raw Materials Consumed		
Inventory at the beginning of the year	41.34	58.96
Add: Purchases	3,043.39	2,191.62
	3,084.73	2,250.58
Less: Inventory at the end of the year	-123.72	-41.34
TOTAL:	**2,961.00**	**2,209.24**
Details of Raw Materials Consumed:		
Sodium Silicate	1,026.10	973.71
Caustic Soda Lye	904.01	418.91
Soda Ash	191.34	140.35
Allum.Hydro Cake/gel	271.95	252.45
Magnesium Oxide (Light)	0.00	202.99
Lime	41.25	37.98
Sulphuric Acid	53.22	48.17
Alluminium Chloride	126.94	19.64
Magnesium Hydroxide (light)	236.46	-
Bitern	47.24	23.40
Alluminium Sulphate	10.62	5.91
Magnesium Carbonate (Light)	6.27	53.29
Freight & Other Materials	45.60	32.43
Total	**2,961.00**	**2,209.24**
Value of Raw materials consumed in Percentage:		
Imported	0%	0%
Indigenous	100%	100%

NOTES No.24. CHANGESN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Inventories at the end of the year		
Bhavnagar Unit:		
Finished Good	283.23	174.48
Semi-Finished Good	22.69	52.75
	305.92	**227.23**
Inventories at the beginning of the year		
Bhavnagar Unit:		
Finished Good	174.48	185.85
Semi-Finished Good	52.75	6.81
Ankleshwar Unit:		
Finished Good	-	13.19
Semi-Finished Good	-	-
	227.23	**205.84**
TOTAL CHANGE (Net)	**-78.69**	**-21.39**

NOTES No.25. EMPLOYEE BENEFITS EXPENSE :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Salaries, Wages & Bonus	386.07	356.58
Contribution to Funds	23.23	26.32
Provision for Gratuity	-7.72	9.29
Staff welfare expenses	8.55	5.65
TOTAL: EMPLOYEE BENEFITS EXPENSE	**410.13**	**397.84**
Salaries, Wages & bonus includes:		
Remuneration to the Managing Directors & other Whole time Directors:	137.85	129.00

As per Ind AS 19 "Employee benefits", the disclosure defined in the accounting standard are given as below:
During the year salary structure of the employee has been revised and terminal benefits of few employees are also reduced, due to which acturial gain incurred and provision for gratuity has been revised accordingly
Defined Contribution Plan: Contribution paid to the plan recognized as expense for the year as under

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Employer's Contribution to Provident Fund	13.88	16.87
Contribution to Employees Linked Funds	4.05	3.61
Re-imb.of Contribution to PF & ESI of Contractors	5.30	4.89

Defined Benefit Plan: The present value of obligation is determined based on actuarial valuation which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures, each unit separately to build up the final obligation. Based on it, the contribution has been paid to the plan recognized as expense for the year as under.

Provision for Gratuity	-7.72	9.29

NOTES No.26. FINANCE COSTS :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Interest on Long term borrowings to Banks	5.96	9.17
Interest on Short term borrowings to Banks	0.06	4.73
Interest on Unsecured loans	31.63	46.36
Bank charges & Processing Fees	7.77	3.97
TOTAL: FINANCE COSTS	**45.42**	**64.23**

NOTES No.27. DEPRECIATION AND AMORTIZATION EXPENSE :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Depreciation/Amortization of tangible assets	328.12	281.94
Total Depreciation And Amortization Expense	**328.12**	**281.94**

PAR DRUGS AND CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.28. OTHER EXPENSES :

	2021-2022	2020-2021
Manufacturing expenses.		
Bhavnagar Unit:	**Rs in Lakhs**	**Rs in Lakhs**
Freight Octroi & Transportation.	335.01	213.65
Fuel & Fire wood.	902.95	535.75
Laboratory Expenses.	12.17	9.88
Machinery Repairs & Maintanance.	49.46	60.15
Motive Power.	261.26	240.52
Packing material consumed.	210.29	164.13
Stores & Spares	1.65	1.25
Water, Dranage & Development Charges.	184.93	172.26
Testing Expense	5.40	6.88
Factory Expense.	140.94	115.88
Ankleshwar Unit:		
Fuel & Fire wood.	-	11.21
Machinery Repairs & Maintanance.	-	1.86
Motive Power.	-	7.74
Water & Dranage Charges.	-	14.69
	2,104.06	**1,555.84**
Administrative expenses.		
Bhavnagar Unit:		
Auditor's Remuneration	9.38	3.85
Bad Debts	0.13	-
Charity & Donation	0.66	0.53
Communication Expense	1.81	1.66
Director Sitting Fees	0.63	0.63
Insurance Premium	31.26	16.24
Legal & Professional Fees	34.12	26.93
Other Administrative Expenses	49.79	26.14
Rent, Rates & Taxes	4.47	5.35
Sales & Distribution Expenses	325.72	216.79
Vehicle Running & Maint.	9.00	11.27
CSR Activity Fund	14.96	-
Traveling & Conveyance Expense	3.54	1.00
Ankleshwar Unit:		
Insurance Premium	-	1.94
Legal & Professional Fees	-	0.71
Other Administrative Expense	-	0.03
Rent, Rates & Taxes	-	19.19
Communication Expense	-	0.05
	485.47	**332.31**
TOTAL: OTHER EXPENSES	**2,589.53**	**1,888.15**
Payment to auditor includes		
Statutory Audit Fees	1.80	1.50
Other Fees	0.55	0.55
Internal Auditor's Fees	1.80	1.80
Expenditure in Foreign Exchange		
Commission Expenses	140.31	25.70
(Included in Sales & Distribution Expenses)		
Value of Stores & Spares Consumed in Percentage		
Imported	0%	0%
Indigenous	100%	100%

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NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.29. EXCEPTIONAL ITEMS :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Profit on Slump Sale of Ankleshar Unit	-	-198.57
TOTAL: EXCEPTIONAL ITEMS	**-**	**-198.57**

Details of Profit on Slump Sale of Ankleshar Unit	As per Book	As per Income-tax
Sale Consideration Received on Slump Sale of the Unit (a	**500.00**	500.00
Less:		-
WDV Value of Fixed Assets of the Unit as on date.	293.44	117.69
Value of Investment of the Unit as on date.	5.65	5.65
Current Assets of the Unit as on date.	2.90	2.90
Less: Current Liability of the Unit as on date.	-0.56	-0.56
Total Net Value of the Assets of the Unit (b)	**301.43**	**125.68**
Profit on Slump Sale of Ankleshar Unit (a-b)	**198.57**	**374.32**

*** Value of Fixed Assets of the Unit as per Income-tax as on the date**

Type of Assets	Gross Value	WDV as per IT
Land		
GIDC Land	20.76	20.76
Land Total	**20.76**	**20.76**
Building		
Factory Building	142.60	40.06
Storage Tank	7.00	2.49
Building Total	**149.60**	**42.55**
Furniture & Fixtures		
Furniture & Fixtures	5.89	1.77
Furniture & Fixtures Total	**5.89**	**1.77**
Office Equipments		
Office Equipment	0.34	0.06
Office Equipments Total	**0.34**	**0.06**
Plant & Machinery		
Plant & Machinery	377.42	46.41
Air Conditioner	1.83	1.01
Computer	1.04	0.00
Electric Installation	44.54	4.72
Laboratory Equipments	1.45	0.39
Weighing Scale	0.11	0.03
Plant & Machinery Total	**426.40**	**52.55**
Total	**602.99**	**117.69**

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NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES No.30. EARNINGS PER EQUITY SHARE (FOR DISCONTINUED & CONTINUING OPERATION) :

	2021-2022 Rs in Lakhs	2020-2021 Rs in Lakhs
Total operations for the year		
Profit/(loss) after tax	921.33	1,161.12
Less: Dividends on convertible preference share & tax thereon	-	-
Net profit/(loss) available for equity shareholders	921.33	1,161.12
Weighted average number of equity shares in calculating basic EPS	1,23,04,636	61,52,318
Weighted average number of equity shares in calculating diluted EPS	1,23,04,636	61,52,318
Earning Per Share:		
(1) Basic	7.49	18.87
(2) Diluted	7.49	18.87

NOTES No.31. CONTINGENT LIABILITIES :

Contingent liabilities in respect of:			
1	Claims against the company not acknowledged as debts	-	-
2	Bank Gaurantee issued by bank Kotak Mahindra Bank	10.06	24.08
3	Bills discounted from bank	-	-
4	Letter of credit outstanding	-	-

NOTES NO.32:

32.1 In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the same value if realised in the ordinary courses of business and the provision for all known liabilities is adequately made and not in excess of the amount reasonably consider necessary.

32.2 The figures and groupings of the previous year are re-grouped/reclassified whenever necessary so as to make them comparable with the current year.

32.3 The Company is primarily engaged in manufacturing of API, which constitute single business segment in terms of Ind AS - 108 on “Operating Segments”. Accordingly, there are no separate reportable segments as per Ind AS - 108.

32.4 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

32.5 The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

32.6 Mrs. Shilpa Falgunbhai Savani (DIN: 00198250), Non-executive, Non-Independent Director tender her resignation voluntarily from the position of Non-Executive Director of the Company with effect from closure of business hours on Tuesday, 24th August, 2021.

32.7 Paise have been round off to the nearest rupee amount.

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

NOTES NO.33: RELATED PARTY DISCLOSURES :

Disclosure of Transactions with related parties as required under Ind AS 24 on Related Party Disclosures are given below :

A) The related parties where common control exists :

i) Key Managerial Personnel :

Falgunbhai V Savani	Managing Director
Jignesh V Savani	CEO
Ghanshyambhai B Savani	Whole-Time Director
Sanket Bhupendrabhai Trivedi	Company Secretary
Chintan Pratapbhai Chauhan	Chief Financial Officer

ii) Enterprises in which significant influnce is excercised by Key Managerial Personnel

Phal-Jig Fine Chemicals Private Limited

iii) Relatives of Key Managerial Personnel

Vallabhbhai J Savani	Father of MD & CEO
Shilpaben F Savani	Wife of MD

iv) Non-Executive & Independent Directors

Naynaben J Savani	Non-Executive Director
Kajal Chitanbhai Vaghani	Independent Director
Krishna Mitulbhai Shah	Independent Director
Pravin Manjibhai Bhayani	Independent Director
Bintal Bhaveshkumar Shah	Independent Director

B) The following transactions were carried out with related parties in the ordinary course of business :

i) Transactions with Key Managerial Personnel :

Name	Nature Of Transcation	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Falgunbhai V Savani	Director's Remuneration	45.95	43.00
	Director Sitting Fees	0.25	0.13
	Re-imbursement of Exp.	1.84	0.55
	Closing balance-Salary	9.87	18.13
Jignesh V Savani	Director's Remuneration	45.95	43.00
	Director Sitting Fees	0.14	0.09
	Re-imbursement of Exp.	-	1.13
	Closing balance-Salary a/c	14.51	33.03
Ghanshyambhai B Savani	Director's Remuneration	45.95	43.00
	Director Sitting Fees	0.13	0.07
	Closing balance-Salary	14.41	42.75
Sanket Bhupendrabhai Trivedi	Salary	5.32	4.40
Chintan Pratapbhai Chauhan	Salary	4.74	4.41

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NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

ii) Transactions with the enterprise in which significant influence is exercised by Key Managerial Personnel during the period:

Name	Nature Of Transcation	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Phal-Jig Fine Chemicals Private Limited	Re-imbursement of Exp.	-	0.01
	Closing balance	0.07	0.07

iii) Trasactins with Relatives of key Managerial Personnel during the period:

Name	Nature Of Transcation	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Vallabhbhai J Savani	Current Interest Paid on Loan	31.63	46.36
	Prev. Year Credited Intr. Paid	-	20.65
	Loan Received	-	-
	Loan Paid	380.43	-
	Closing balance-Loan a/c	-	380.43
	Closing balance-Salary a/c	-	3.97
Shilpaben F Savani [See Note-32.6]	Director Sitting Fees	0.03	0.05

iv) Transactions with Non-Executive & Independent Directors during the period:

Name	Nature Of Transcation	AS AT 31.03.2022 Rs in Lakhs	AS AT 31.03.2021 Rs in Lakhs
Naynaben J Savani	Director Sitting Fees	0.20	0.12
Kajal Chitanbhai Vaghani	Director Sitting Fees	0.26	-
Krishna Mitulbhai Shah	Director Sitting Fees	0.38	-
Pravin Manjibhai Bhayani	Director Sitting Fees	0.38	-
Bintal Bhaveshkumar Shah	Director Sitting Fees	0.13	-

NOTES NO.34: SIGNIFICANT RATIO :

Ratio	2021-22	2020-21	% Change in Ratio
Current Ratio	2.93	2.58	13.76%
Debt-Equity Ratio [See Note-1]	-	0.15	-100.00%
Debt Service Coverage Ratio [See Note-1]	3.64	77.17	-95.28%
Return on Equity Ratio (%) (Before Tax) [See Note-2]	21.22%	28.20%	-24.78%
Inventory turnover ratio	15.93	20.27	-21.42%
Trade Receivables Turnover Ratio	0.25	0.20	20.02%
Trade Payables Turnover Ratio [See Note-3]	0.14	0.11	28.43%
Net Capital Turnover Ratio	2.62	2.41	8.51%
Net Profit Ratio (%) (Before Tax) [See Note-2]	16.92%	24.24%	-30.19%
Return on Capital Employed	0.20	0.25	-19.25%
Return on Investment (%) [See Note-2]	15.39%	22.24%	-30.81%

PAR DRUGS AND CHEMICALS LIMITED

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

1 Since Kotak Term loan have been fully repaid during the reporting period, Debt-Equity Ratio and Debt Service Coverage Ratio have been reduced comparative to previous year.

2 Return on Equity ratio has been reduced comparative to previous year. Such reduction is due to profit for FY-2020-21 includes exceptional items i.e. profit on slum sale of Ankleshvar Unit. Due to same reason, Net Profit Ratio and Return on Investment ratio is also reduced.

3 Company has enjoved more credit period from its suppliery, hence trade payable ration has been increased.

NOTES NO.35: CORPORATE SOCIAL RESPONSIBILY (CSR) ACTIVITIES:

Particulars	Rs in Lakhs
Amount required to be spent by the company during the year	14.75
Amount of expenditure incurred	14.96
Shortfall at the end of the year, if any	-
Excess expenditure incurred, if any	0.21
Total of previous years shortfall	-
Nature of CSR activities :- Expenditure incurred for CSR activities includes donations made to Rotary club of Rajkot and Indian Red Cross Society	
No any contribution made to a trust controlled by the company in relation to CSR expenditure	

DRUGS AND CHEMICALS LIMITED







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