



ANNUAL REPORT

2020-2021



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Corporate Profile

We were founded in 1982 by our honorary Director Mr. V. J. Savani and now he has handed over to second generation Mr. Falgun V. Savani, Mr. Jignesh V. Savani and Mr. Ghanshyam B. Savani. 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 – APIs, Block 2 - Magnesium Hydroxide, Block 3 - Fine Chemicals and Block 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 Mr. V. J. Savani is a technocrat with an experience of over 20 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 32 years we at Par Drugs and Chemicals Limited is a 20-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.



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

API (65%)

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 (35%)

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 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, SiO_2); 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.



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

17 years of innovation

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 than Pharma product. Further, second block is dedicated to only one product magnesium hydroxide. Moreover Ankleshwer plant was upgraded with spray dryer system. 2015 we 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 EMERGE platform on May 16, 2019.

Now, after all these expansion Par Drugs & Chemicals is having all the Latest Drying Equipments available in Bulk Drying i.e. Flash Dryer, Spin Flash Dryer and Spray Dryer. This gives the certain edge to the company to develop existing molecule for different applications.

Also, after catering these years only to the Pharma Companies, we've taken a decision to diversify the business to the Fine Chemicals. The first step towards this is already been taken by developing Amorphous Aluminum Hydroxide for Construction Chemicals. Also, currently working on 3-4 different products likes Magnesium Silicate, from existing Product Mix but for very different Applications.

Message from the Chairman

Dear Shareholders,

I am pleased to present to you the 22nd Annual Report of your Company. Your Company is poised for taking a leap forward and witnessing next level growth, continuing its phenomenal journey towards excellence in API and Fine Chemical Products delivery to the well-known organization. Throughout our journey, we have been exceeding expectations of our buyer through consistency and quality of services. As we continue to grow, it is our strategy to strengthen our organization presence in India and abroad, our aim to continue expanding our presence in newer geographies as well to develop new products as part of our growth strategies.

Performance for the last financial year was in line with our expectation, where we could withstand the sharp increasing it with growth in terms of revenue and turnover.

Our strategy to de-risk the business through providing qualitative products proved to be very useful.

Your Company is engaged in the development and manufacture of Active Pharma Ingredients (“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 various range of Antacid Molecules which are available in the market and are in great demand. Moreover, we expect the API business to grow at a good pace. For our Fine Chemicals Segment we are also increasing the share of the same in revenue and turnover.

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 customers and build a strong relationship with all our customers, vendors and employees on the values of ethical and transparent working system.

I would like to acknowledge the hard work, dedication of our talented employees for their passion and dedication with which they continue to contribute to the culture of excellence. We thank you all for your continued support in our growth. Further, I also thank you, our investors, for your patience, for showing confidence and trust in management capabilities and guidance thus far and look forward to your continued support.

Warm regards,

Falgun V. Savani
Chariman & Managing Director



Falgun V. Savani
Chariman & Managing Director



Jignesh V. Savani
Executive Director & CEO

Dear Share Holders / Investors,

Year 2020-2021 was having very painful memories for the world during COVID-19 pandemic, we are fortunate enough that our Par Drugs And Chemicals Limited employees and their family has not severely affected during COVID-19 pandemic.

We are at Par Drugs And Chemicals Limited had a fruitful year to mesmerise. our team has done wonderful job, which is reflected in our achieved target. This teamwork has also proved again that, we can achieve any harder goals during any situation. We can deliver our best, when it is concern with health & hygiene of our society. We are looking forward to increase our market share in API and Fine Chemicals Industry. We are very much happy for our contribution towards आत्मनिर्भर भारत.

Our team has more and more to achieve in coming years and we are committed to achieve for that. I do believe in my team and Shareholders.

Yours sincerely,

Jignesh V. Savani
Chariman & Managing Director

Corporate Information

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Chintan P Chauhan
cfo.par@pardrugs.com

COMPANY SECRETARY AND COMPLIANCE OFFICER

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
csdgpate@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
Landline : 7405001746

REGISTERED OFFICE

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

CORPORATE OFFICE

816, Nilamber Triumph, Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991022
Email: investors@pardrugs.com
Website: www.pardrugs.com

GENERAL INFORMATION

- Company's Corporate Identification Number
CIN: L24117GJ1999PLC035512
- Company's Shares Listed at NSE EMERGE SME.
- Company's Shares are mandated for trading in demat mode.
- 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

Falgun Vallabhbhai Savani

Chairman & Managing Director



Falgun Vallabhbhai Savani, aged 46 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 20 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.

Jignesh Vallabhbhai Savani

Executive Director & CEO

Jignesh Vallabhbhai Savani, aged 43 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 20 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.



Ghanshayambhai Bhagvanbhai Savani

Whole-Time Director



Ghanshayambhai Bhagvanbhai Savani, aged 50 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 30 years of experience in the API Industry. His expertise and business acumen helped in the sustainable growth of the Company.

Nayna Jignesh Savani

Non - Executive Director

Nayna Jignesh Savani, aged 42 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.



Bintal Bhaveshkumar Shah

Additional Independent Director



Bintal Bhaveshkumar Shah, aged 45 years, is an Additional Independent Director of our Company. She was appointed as an Additional Independent Director of the Company on September 28, 2020. She holds Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai



Kajal Chintanbhai Vaghani

Independent Director

Kajal Chintanbhai Vaghani, aged 41 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.

Krishna Mitulbhai Shah

Independent Director

Krishna Mitulbhai Shah, aged 41 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.



Pravin Manjibhai Bhayani

Independent Director

Pravin Manjibhai Bhayani, aged 49 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 22 years of vast experience in the field of Audit, Accounts and Finance.



Chintan Pratapbhai Chauhan

Chief Financial Officer

Chintan Pratapbhai Chauhan, aged 39 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. Collage of Commerce, Bhavnagar, affiliated with Bhavnagar University. Prior to joining our Company, he has worked as Officer Accounts in Damodar Mangalji and Co. Limited for 9 years. He has an experience of about 16 years in finance field. He is responsible for handling the financial operations of the Company.

Sanket Bhupendrabhai Trivedi

Company Secretary and Compliance Officer

Sanket Bhupendrabhai Trivedi, aged 31 years, is Company Secretary and Compliance Officer of our Company. He has been appointed as Company Secretary and Compliance officer for 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 is a qualified Company Secretary by profession and is an associate member of the Institute of Company Secretaries of India. He has an experience of 4 years in the legal & Compliance. He is entrusted with the responsibility of handling corporate secretarial functions of our Company.

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 targetting 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.

Par Drugs And Chemicals Limited

(Erstwhile Par Drugs And Chemicals Private 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 22ND ANNUAL GENERAL MEETING TO MEMBERS

Notice is hereby given that the Twenty Second (22nd) Annual General Meeting (“AGM”) of the Members of **PAR DRUGS AND CHEMICALS LIMITED** (“the Company”) will be held on **Wednesday, 29th Day of September, 2021 at 4:00 P.M.** IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business to transact the following businesses:

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, 2021 together with the report of the Board of Directors and Auditors thereon.

ITEM NO. 2: To appoint a Director in place of Mrs. Nayna Jignesh Savani, Non-Executive Director (DIN: 00198189), who retires by rotation and being eligible offer herself 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, V Dhamsania & Associates, Chartered Accountants, having FRN 132499W, be and is hereby appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company to be held for the F.Y. 2021-22 at an annual remuneration / fees of Rs. 1,80,000/- (Rupees One Lakh Eighty 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 appoint and regularize Mrs. Bintal Bhaveshkumar Shah (DIN: 08893054) as an Independent Director of the Company and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), Mrs. Bintal Bhaveshkumar Shah (DIN: 08893054), who was appointed as an Additional Independent Director by the Board of Directors with effect from 28th Day of September, 2020, and holds office upto the date of this ensuing Annual General Meeting of the company and whose appointment as an Independent Director is recommended by the Nomination and Compensation Committee and the Board of Directors of the Company and in respect of whom a notice in writing has been received by the Company from a member under Section 160 of the Companies Act, 2013, proposing her candidature as an Independent Director, be and is hereby appointed as an Independent Director of the Company for a term of 5 years from 28th Day of September, 2020 to 27th September, 2025, without being liable to retire by rotation.”

“**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.”

ITEM NO. 5: To approve Increase in Remuneration of Mr. Falgun Vallabhbai Savani, Chairman & Managing Director (DIN: 00198236) of the company and to consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force); applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and upon recommendation of the Nomination and Remuneration Committee, the consent of the Members be and is hereby accorded to increase remuneration of **Mr. Falgun Vallabhbai Savani, Chairman & Managing Director (DIN: 00198236)** of the Company for a period of 2 years w.e.f. 26th Day of November, 2021 to 25th Day of November, 2023 as per terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of remuneration as it may deem fit and in such manner as may be agreed to between the Board and Mr. Falgun Vallabhbai Savani.”

“RESOLVED FURTHER THAT the Board of Directors of the Company may pay the remuneration to Mr. Falgun Vallabhbhai Savani, Chairman & Managing Director, whether by way of Salary, Commission, Perquisites and/ or any combination of the same as mutually agreed by the Board and Mr. Falgun Vallabhbhai Savani.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of remuneration payable to the said Chairman & Managing Director in such manner as may be mutually agreed between the Board and Mr. Falgun Vallabhbhai Savani within the limits as prescribed in Section 197 read Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the term of office of Mr. Falgun Vallabhbhai Savani as Chairman & Managing Director of the Company, Mr. Falgun Vallabhbhai Savani shall be paid salary, perquisites and other allowances as set out in explanatory statement as the minimum remuneration, subject to ceiling as specified in Section 197 read Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

“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.”

ITEM NO. 6: To approve Increase in Remuneration of Mr. Ghanshayambhai Bhagvanbhai Savani, Whole Time Director (DIN: 03055941) of the company and to consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force); Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and upon recommendation of the Nomination and Remuneration Committee, the consent of the Members be and is hereby accorded to increase remuneration of **Mr. Ghanshayambhai Bhagvanbhai Savani, Whole Time Director (DIN: 03055941)** of the Company for a period of 2 years w.e.f. 26th Day of November, 2021 to 25th Day of November, 2023 as per terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of remuneration as it may deem fit and in such manner as may be agreed to between the Board and Mr. Ghanshayambhai Bhagvanbhai Savani.”

“RESOLVED FURTHER THAT the Board of Directors of the Company may pay the remuneration to Mr. Ghanshayambhai Bhagvanbhai Savani, Whole Time Director, whether by way of Salary, Commission,

Perquisites and/ or any combination of the same as mutually agreed by the Board and Mr. Ghanshayambhai Bhagvanbhai Savani.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of remuneration payable to the said Whole Time Director in such manner as may be mutually agreed between the Board and Mr. Ghanshayambhai Bhagvanbhai Savani within the limits as prescribed in Section 197 read Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the term of office of Mr. Ghanshayambhai Bhagvanbhai Savani as Whole Time Director of the Company, Mr. Ghanshayambhai Bhagvanbhai Savani shall be paid salary, perquisites and other allowances as set out in explanatory statement as the minimum remuneration, subject to ceiling as specified in Section 197 read Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

“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.”

ITEM NO. 7:To approve Increase in Remuneration of Mr. Jignesh Vallabhbhai Savani, CEO & Director (DIN: 00198203) of the company and to consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions, if any, read along with Schedule V of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force); Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and upon recommendation of the Nomination and Remuneration Committee, the consent of the Members be and is hereby accorded to increase remuneration of **Mr. Jignesh Vallabhbhai Savani, CEO & Director (DIN: 00198203)** of the Company for a period of 2 years w.e.f. 26th Day of November, 2021 to 25th Day of November, 2023 as per terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of remuneration as it may deem fit and in such manner as may be agreed to between the Board and Mr. Jignesh Vallabhbhai Savani.”

“RESOLVED FURTHER THAT the Board of Directors of the Company may pay the remuneration to Mr. Jignesh Vallabhbhai Savani, CEO & Director, whether by way of Salary, Commission, Perquisites and/ or any combination of the same as mutually agreed by the Board and Mr. Jignesh Vallabhbhai Savani.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of remuneration payable to the said CEO & Director in such

manner as may be mutually agreed between the Board and Mr. Jignesh Vallabhbhai Savani within the limits as prescribed in Section 197 read Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the term of office of Mr. Jignesh Vallabhbhai Savani as CEO & Director of the Company, Mr. Jignesh Vallabhbhai Savani shall be paid salary, perquisites and other allowances as set out in explanatory statement as the minimum remuneration, subject to ceiling as specified in Section 197 read Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

“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.”

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

**Place: Vadodara
Date: August 24, 2021**

Sd/-

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

Par Drugs And Chemicals Limited
(Erstwhile Par Drugs And Chemicals Private Limited)
CIN: L24117GJ1999PLC035512
Registered office: 815, Nilamber Triumph, Gotri Vasma Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991021, 0278-2447013
Website: www.pardrugs.com Email: investors@pardrugs.com

NOTES

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19”, circular no. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and Circular no. 02/2021 dated January 13, 2021 in relation to “Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – COVID-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic” (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
2. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 22nd AGM and hence the Proxy Form, Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. 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.
4. The Register of Members and Share Transfer Books shall remain closed from **Wednesday, September 22, 2021 to Wednesday, September 29, 2021** (both days inclusive) to determine entitlement of the shareholders to for the purpose of annual general meeting.
5. 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.
6. 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
7. 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.

8. 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.
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a scanned copy (PDF/JPG Format) certified copy of its Board or Governing Body Resolution/Authorization etc. authorizing its representative to attend AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to csdgpatel@gmail.com with a copy marked to evoting@nsdl.co.in
11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting and e-voting during AGM 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.pardrugs.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com and AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
14. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA

Circular No. 2/2021 dated January 13, 2021.

15. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 setting out facts concerning the business under Item No. 3 to 7 of the Notice is annexed hereto.
16. As per Regulation 40 of SEBI Listing Regulations as amended, securities of listed companies 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. 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. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited via email at ahmedabad@linkintime.co.in
17. In line with the MCA and SEBI Circulars, the notice of the 22nd AGM along with the Annual Report 2020-21 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 2020-21 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 NSDL at www.evoting.nsdl.com. Members 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 as under:

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

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 National Securities Depository Limited (NSDL) 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 Tuesday, September 21, 2021**, shall be entitled to avail the facility of remote e-voting or voting at the AGM. Persons who are not members as on the cut-off date should treat this notice for information purpose only.
- 3) 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 NSDL website www.evoting.nsdl.com

- 4) 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.
- 5) 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.
- 6) A member can opt for only one mode of voting i.e. either through remote e-voting or e-Voting on the day of the AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail.
- 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 NSDL www.evoting.nsdl.com 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.

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

The remote e-voting period begins on Friday, September 24, 2021 at 09:00 A.M. IST and ends on Tuesday, September 28, 2021 at 05:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on cut-off date i.e. Tuesday, September 21, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, September 21, 2021.

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

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

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li data-bbox="560 665 1401 1227">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="560 1263 1401 1417">2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com/. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="560 1464 1401 2027">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they 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. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a 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. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at 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 022-23058542-43
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B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to CS Dip Patel at csdgp Patel@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or Shareholders/Members, who need assistance before or during the AGM, can contact NSDL official Ms. Sarita Mote on Toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@pardrugs.com .
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@pardrugs.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

- 1) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- 2) Members are encouraged to join the Meeting through Laptops for better experience.
- 3) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 5) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@pardrugs.com within specified time limited as mentioned in the above notes. The same will be replied by the Company suitably.
- 6) Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker shareholder by sending their request in advance **at least 5 days prior** to meeting mentioning their name, demat account number/folio number, email id, PAN, mobile number at investors@pardrugs.com

- 7) Those shareholders who have registered themselves as a speaker shareholder will be allowed to express their views/ask questions during the meeting.
- 8) Shareholders/Members, who need assistance before or during the AGM, can contact NSDL official Ms. Sarita Mote on Toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Place: Vadodara

Date: August 24, 2021

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

Sd/-

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

Par Drugs And Chemicals Limited

(Erstwhile Par Drugs And Chemicals Private 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 NOS. 3: TO APPOINT STATUTORY AUDITORS OF THE COMPANY AND TO FIX THEIR REMUNERATION .

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of V Dhamsania & Associates, Chartered Accountants, having FRN 132499W, as the Auditors of the Company for a period of one year from the conclusion of this AGM till the conclusion of the next AGM at an annual remuneration / fees of Rs. 1,80,000/- (Rupees One Lakh Eighty Thousand only). On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of V Dhamsania & Associates, Chartered Accountants for the financial year 2021-22 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like capability to serve a diverse and complex business landscapes that of the Company, audit experience in the Company's operating segment, market standing of the firm, clientele served, technical knowledge etc., and found V Dhamsania & Associates to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. V Dhamsania & Associates is registered with Institute of Chartered Accountants of India since 2011, a leading CA firm with young, enthusiastic and experienced partners providing expert professional services with due care of professional ethics.

V Dhamsania & Associates have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies Act, 2013.

The Board recommends the Ordinary Resolution set out at Item No. 3 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.

ITEM NO. 4: TO APPOINT AND REGULARIZE MRS. BINTAL BHAVESHKUMAR SHAH (DIN: 08893054) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

The Board of Directors of the Company (the 'Board'), had at its meeting held on 28th Day of September, 2021, subject to the approval of the members, appointed Mrs. Bintal Bhaveshkumar Shah (DIN: 08893054) as an Additional Independent Director of the Company, without being liable to retire by rotation, for a period of 5 (Five) years w.e.f. 28th Day of September, 2021. She holds a Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai .

A notice in writing has been received by the Company from a member under Section 160 of the Companies Act, 2013, proposing candidature of Mrs. Bintal Bhaveshkumar Shah (DIN: 08893054) for the office of Independent Director of the company. On recommendation of Nomination and Compensation Committee, Board have recommended the appointment of Mrs. Bintal Bhaveshkumar Shah as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013

The Company has received from Mrs. Bintal Bhaveshkumar Shah (i) consent in writing to act as an Independent Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect she is not disqualified for being appointed a Director under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

In the opinion of the Board, Mrs. Bintal Bhaveshkumar Shah fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and LODR for her appointment as an Independent Director of the Company and that the proposed director is independent of the management. Copy of letter of appointment of Mrs. Bintal Bhaveshkumar Shah setting out the terms and conditions of appointment and other related documents shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day and shall also be available at the website of our Company during the AGM.

Considering Mrs. Bintal Bhaveshkumar Shah's expertise in General Management, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint her as an Independent Director for a period of five years with effect from September 28, 2020.

Additional information in respect of Mrs. Bintal Bhaveshkumar Shah, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at **Annexure A** to this Notice.

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

Mrs. Bintal Bhaveshkumar Shah, being the appointee is interested in the resolution set out at Item No. 4 of the Notice.

Save and except the above, 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.

ITEM NO. 5: TO APPROVE INCREASE IN REMUNERATION OF MR. FALGUN VALLABHBHAI SAVANI, CHAIRMAN & MANAGING DIRECTOR (DIN: 00198236) OF THE COMPANY.

Mr. Falgun Vallabhbhai Savani was appointed as a Chairman & Managing Director of the Company by the Board of Directors of the company at its meeting held on 26th Day of November, 2018 for a period of 5 (Five) years w.e.f. 26th Day of November, 2018 to 25th Day of November, 2023. The same was subsequently approved by the members at the Extra-ordinary General Meeting held on 18th December, 2018.

Mr. Falgun Vallabhbhai Savani 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. Considering his contribution and progress made by the company under his leadership and guidance and as per the recommendations of Nomination and Remuneration Committee, the Board at its meeting held on 24th August, 2021 approved increase in remuneration of Mr. Falgun Vallabhbhai Savani for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023 on terms and conditions furnished below:

1) Salary, perquisites and allowances:

Salary, perquisites and allowances at the rate of Rs. 51,50,000/- (Rupees Fifty One Lacs Fifty Thousands Only) per annum for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023. The said remuneration is within the limit of remuneration as specified under Section 197 of the Companies Act, 2013 and Rules made thereunder.

Provided Salary, perquisites and allowances may be revised periodically by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee subject to the condition that the value of any increment in the annual Salary, perquisites and allowances payable to Managing Director shall not exceed 3% of the Annual Net Profit of the company as per the latest audited financial statements of the company.

Perquisites and allowances shall include –

- A. Housing:** Furnished/unfurnished residential accommodation or House Rent, House Maintenance and Utility Allowance as per the rules of the Company.
- B. Car with driver:** Managing Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.
- C. Medical reimbursement / allowance:** As per the rules of the Company.
- D. Leave travel concession / allowance:** As per the rules of the Company.
- E. Club fees:** Fees payable subject to a maximum of one club.
- F. Personal accident insurance:** As per the rules of the Company.
- G.** The Company shall reimburse actual entertainment and travelling expenses incurred by the Managing Director in connection with the Company's business.

2) Sitting Fees:

Sitting fees at the rate of Rs. 5,000/- (Rupees Five Thousands Only) per meeting of Board of Directors and its committees attended.

3) Perquisites as per the Section IV of the Schedule V of the Act as provided below:

- A.** The Board has considered the relation of the Managing Director in terms of his involved in the management of the company through his substation interest in the company and based on that, it is duly considered that there is no employer and employee relation between the company and Managing Director on his appointment but the same is an agency relationship. Hence, the remuneration as mentioned in point no. 2 above shall not be subject to the provisions of any Provident Fund, ESI or Gratuity under the respective Act(s) and/or Rules framed thereunder and no provisions under the aforesaid Act(s) shall be made over and above of the remuneration payable to the Managing Director.
- B.** Encashment of leave at the end of tenure as per rules of the company.

It is clarified that employees stock options as might be granted to Mr. Falgun Vallabhbhai Savani, from time to time, shall not be considered as a part of perquisites mentioned above and that the perquisite value of stock options exercised shall be in addition to the remuneration under point no. 2 above.

It is hereby confirmed that the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

It is hereby submitted that based on projections, the managerial remuneration may exceed the limits prescribed under Section 197 of the Companies Act, 2013.

Statement pursuant to Clause (iv) of Section II of Part-II of schedule V of the Companies Act, 2013:

I. GENERAL INFORMATION:

1.	Nature of Industry.	Active Pharma Ingredients & Fine Chemicals		
2.	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4.	Financial performance based on given indicators	Particulars	2020-21 (Rs.)	2019-20 (Rs.)
		Revenue from operations	60,75,13,047	55,84,86,873
		Profit before Tax	14,72,61,183	5,99,18,611
		Profit After Tax	11,61,12,117	4,76,49,781
		EPS	18.87	7.75
5.	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

Falgun Vallabhbhai Savani, aged 46 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 20 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.

2. Past Remuneration:

Period	Remuneration paid (Rs.)
2020-21	4,300,008/- p.a.
2019-20	4,300,008/- p.a.

3. Recognition or awards:

Mr. Falgun Vallabhbhai Savani is well recognized for his leadership, visionary, and entrepreneur skills in managing business activities and has been efficiently managing overall affairs of the Company.

4. Job Profile and his suitability:

In the capacity of Managing Director of the Company Mr. Falgun Vallabhbhai Savani shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

5. Remuneration proposed:

Salary, perquisites and allowances at the rate of Rs. 51,50,000/- (Rupees Fifty One Lacs Fifty Thousands Only) per annum for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023. The said remuneration is within the limit of remuneration as specified under Section 197 of the Companies Act, 2013.

Provided Salary, perquisites and allowances may be revised periodically by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee subject to the condition that the value of any increment in the annual Salary, perquisites and allowances payable to Managing Director shall not exceed 3% of the Annual Net Profit of the company as per the latest audited financial statements of the company.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Falgun Vallabhbhai Savani is holding 21.50% of the equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

III. OTHER INFORMATION:

1. Reasons of Loss or Inadequate Profits:

Company is primarily engaged the manufacturing of Active Pharma Ingredients & Fine Chemicals. Due to fiercely competitive environment in the industry, profitability of the company might affected.

2. Steps taken or proposed to be taken for improvement:

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

3. Expected increase in productivity and profits in measurable terms:

Looking at the past performance and efforts being made during the year, the Company is expecting around Twenty percent increase in the sales turnover and profits of the Company during the financial year 2021-22.

IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.

Mr. Falgun Vallabhbai Savani has more than 20 years of experience in the industry. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

Pursuant to the provisions of Sections 197 and other applicable provisions read along with Schedule V of the Companies Act, 2013 and applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 increase in remuneration of Mr. Falgun Vallabhbai Savani is required to be approved by the members of the company by Special Resolution.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Mr. Falgun Vallabhbai Savani is interested in the resolution set out at Item No. 5 of the Notice. The relatives of Mr. Falgun Vallabhbai Savani may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, 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.

ITEM NO. 6: TO APPROVE INCREASE IN REMUNERATION OF MR. GHANSHAYAMBHAI BHAGVANBHAI SAVANI, WHOLE TIME DIRECTOR (DIN: 03 055941) OF THE COMPANY.

Mr. Ghanshayambhai Bhagvanbhai Savani was appointed as Whole-time Director of the Company by the Board of Directors of the company at its meeting held on 26th Day of November, 2018 for a period of 5 (Five) years w.e.f. 26th Day of November, 2018 to 25th Day of November, 2023. The same was subsequently approved by the members at the Extra-ordinary General Meeting held on 18th December, 2018.

Mr. Ghanshayambhai Bhagvanbhai Savani is under Matriculate. He is actively engaged in Production Activity of the Company. He has 30 years of experience in the API Industry. His expertise and business acumen helped in the sustainable growth of the Company. Considering his contribution and progress made by the company and as per the recommendations of Nomination and Remuneration Committee, the Board at its meeting held on 24th August, 2021 approved increase in remuneration of Mr. Ghanshayambhai Bhagvanbhai Savani for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023 on terms and conditions furnished below:

1) Salary, perquisites and allowances:

Salary, perquisites and allowances at the rate of Rs. 51,50,000/- (Rupees Fifty One Lacs Fifty Thousands Only) per annum for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023. The said remuneration is within the limit of remuneration as specified under Section 197 of the Companies Act, 2013.

Provided Salary, perquisites and allowances may be revised periodically by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee subject to the

condition that the value of any increment in the annual Salary, perquisites and allowances payable to Managing Director shall not exceed 3% of the Annual Net Profit of the company as per the latest audited financial statements of the company.

Perquisites and allowances shall include –

- A. Housing:** Furnished/unfurnished residential accommodation or House Rent, House Maintenance and Utility Allowance as per the rules of the Company.
- B. Car with driver:** Whole Time Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.
- C. Medical reimbursement / allowance:** As per the rules of the Company.
- D. Leave travel concession / allowance:** As per the rules of the Company.
- E. Club fees:** Fees payable subject to a maximum of one club.
- F. Personal accident insurance:** As per the rules of the Company.
- G.** The Company shall reimburse actual entertainment and travelling expenses incurred by the Whole Time Director in connection with the Company's business.

2) Sitting Fees:

Sitting fees at the rate of Rs. 5,000/- (Rupees Five Thousands Only) per meeting of Board of Directors and its committees attended.

3) Perquisites as per the Section IV of the Schedule V of the Act as provided below:

- C.** The Board has considered the relation of the Whole Time Director in terms of his involved in the management of the company through his substation interest in the company and based on that, it is duly considered that there is no employer and employee relation between the company and Whole Time Director on his appointment but the same is an agency relationship. Hence, the remuneration as mentioned in point no. 2 above shall not be subject to the provisions of any Provident Fund, ESI or Gratuity under the respective Act(s) and/or Rules framed thereunder and no provisions under the aforesaid Act(s) shall be made over and above of the remuneration payable to the Whole Time Director.
- D.** Encashment of leave at the end of tenure as per rules of the company.

It is clarified that employees stock options as might be granted to Mr. Ghanshayambhai Bhagvanbhai Savani, from time to time, shall not be considered as a part of perquisites mentioned above and that the perquisite value of stock options exercised shall be in addition to the remuneration under point no. 2 above.

It is hereby confirmed that the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

It is hereby submitted that based on projections, the managerial remuneration may exceed the limits prescribed under Section 197 of the Companies Act, 2013.

Statement pursuant to Clause (iv) of Section II of Part-II of schedule V of the Companies Act, 2013:

I. GENERAL INFORMATION:

1.	Nature of Industry.	Active Pharma Ingredients & Fine Chemicals
2.	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.

3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4.	Financial performance based on given indicators	Particulars	2020-21 (Rs.)	2019-20 (Rs.)
		Revenue from operations	60,75,13,047	55,84,86,873
		Profit before Tax	14,72,61,183	5,99,18,611
		Profit After Tax	11,61,12,117	4,76,49,781
		EPS	18.87	7.75
5.	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

Mr. Ghanshayambhai Bhagvanbhai Savani, aged 50 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. Mr. Ghanshayambhai Bhagvanbhai Savani asunder Matriculate. He is actively engaged in Production Activity of the Company. He has 30 years of experience in the API Industry. His expertise and business acumen helped in the sustainable growth of the Company.

2. Past Remuneration:

Period	Remuneration paid (Rs.)
2020-21	4,300,008/- p.a.
2019-20	4,300,008/- p.a.

3. Recognition or awards:

Mr. Ghanshayambhai Bhagvanbhai Savani is well recognized for his leadership, visionary, and entrepreneur skills in managing business activities and has been efficiently managing overall affairs of the Company.

4. Job Profile and his suitability:

In the capacity of Whole-time Director of the Company Mr. Ghanshayambhai Bhagvanbhai Savani shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

5. Remuneration proposed:

Salary, perquisites and allowances at the rate of Rs. 51,50,000/- (Rupees Fifty One Lacs Fifty Thousands Only) per annum for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023. The said remuneration is within the limit of remuneration as specified under Section 197 of the Companies Act, 2013.

Provided Salary, perquisites and allowances may be revised periodically by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee subject to the condition that the value of any increment in the annual Salary, perquisites and allowances payable

to Managing Director shall not exceed 3% of the Annual Net Profit of the company as per the latest audited financial statements of the company.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Ghanshayambhai Bhagvanbhai Savani is holding 6.41% of the equity share capital of the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

III. OTHER INFORMATION:

1. Reasons of Loss or Inadequate Profits:

Company is primarily engaged the manufacturing of Active Pharma Ingredients & Fine Chemicals. Due to fiercely competitive environment in the industry, profitability of the company might affected.

2. Steps taken or proposed to be taken for improvement:

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

3. Expected increase in productivity and profits in measurable terms:

Looking at the past performance and efforts being made during the year, the Company is expecting around Twenty percent increase in the sales turnover and profits of the Company during the financial year 2021-22.

IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.

Mr. Ghanshayambhai Bhagvanbhai Savani is actively engaged in Production Activity of the Company since he joined the company. He has more than 30 years of experience in the Company. His expertise and business acumen helped in the substantial growth of the company.

Pursuant to the provisions of Sections 197 and other applicable provisions read along with Schedule V of the Companies Act, 2013 and applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 increase in remuneration of Mr. Ghanshayambhai Bhagvanbhai Savani is required to be approved by the members of the company by Special Resolution.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Mr. Ghanshayambhai Bhagvanbhai Savani is interested in the resolution set out at Item No. 6 of the Notice. The relatives of Mr. Ghanshayambhai Bhagvanbhai Savani may be deemed to be interested in the resolution set out at Item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, 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.

ITEM NO. 7: TO APPROVE INCREASE IN REMUNERATION OF MR. JIGNESH VALLABHBHAI SAVANI, CEO & DIRECTOR (DIN: 00198203) OF THE COMPANY.

Mr. Jignesh Vallabhbhai Savani was appointed as CEO of the Company by the Board of Directors of the company at its meeting held on 26th Day of November, 2018 for a period of 5 (Five) years w.e.f. 26th Day of November, 2018 to 25th Day of November, 2023. The same was subsequently approved by the members at the Extra-ordinary General Meeting held on 18th December, 2018.

Mr. Jignesh Vallabhbhai Savani has completed Matriculation education from Gujarat Secondary Education Board. He has 20 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. He has work experience in all departments of Company like logistics, HR, Manufacturing, Accounts etc. Considering his contribution and progress made by the company and as per the recommendations of Nomination and Remuneration Committee, the Board at its meeting held on 24th August, 2021 approved increase in remuneration of Mr. Jignesh Vallabhbhai Savani for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023 on terms and conditions furnished below:

1) Salary, perquisites and allowances:

Salary, perquisites and allowances at the rate of Rs. 51,50,000/- (Rupees Fifty One Lacs Fifty Thousands Only) per annum for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023.

Provided Salary, perquisites and allowances may be revised periodically by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee subject to the condition that the value of any increment in the annual Salary, perquisites and allowances payable to CEO shall not exceed 3% of the Annual Net Profit of the company as per the latest audited financial statements of the company.

Perquisites and allowances shall include –

H. Housing: Furnished/unfurnished residential accommodation or House Rent, House Maintenance and Utility Allowance as per the rules of the Company.

I. Car with driver: CEO will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.

J. Medical reimbursement / allowance: As per the rules of the Company.

K. Leave travel concession / allowance: As per the rules of the Company.

L. Club fees: Fees payable subject to a maximum of one club.

M. Personal accident insurance: As per the rules of the Company.

N. The Company shall reimburse actual entertainment and travelling expenses incurred by the CEO in connection with the Company's business.

2) Sitting Fees:

Sitting fees at the rate of Rs. 5,000/- (Rupees Five Thousands Only) per meeting of Board of Directors and its committees attended.

3) Perquisites as per the Section IV of the Schedule V of the Act as provided below:

E. The Board has considered the relation of the CEO in terms of his involved in the management of the company through his substation interest in the company and based on that, it is duly considered that there is no employer and employee relation between the company and CEO on his appointment but the same is an agency relationship. Hence, the remuneration as mentioned in point no. 2 above shall not be subject to the provisions of any Provident Fund, ESI or Gratuity under the respective Act(s) and/or Rules framed thereunder

and no provisions under the aforesaid Act(s) shall be made over and above of the remuneration payable to the CEO.

F. Encashment of leave at the end of tenure as per rules of the company.

It is clarified that employees stock options as might be granted to Mr. Jignesh Vallabhnbhai Savani, from time to time, shall not be considered as a part of perquisites mentioned above and that the perquisite value of stock options exercised shall be in addition to the remuneration under point no. 2 above.

It is hereby confirmed that the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

It is hereby submitted that the managerial remuneration exceeds the limits prescribed under Section 197 of the Companies Act, 2013.

Statement pursuant to Clause (iv) of Section II of Part-II of schedule V of the Companies Act, 2013:

I. GENERAL INFORMATION:

1.	Nature of Industry.	Active Pharma Ingredients & Fine Chemicals		
2.	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4.	Financial performance based on given indicators	Particulars	2020-21 (Rs.)	2019-20 (Rs.)
		Revenue from operations	60,75,13,047	55,84,86,873
		Profit before Tax	14,72,61,183	5,99,18,611
		Profit After Tax	11,61,12,117	4,76,49,781
		EPS	18.87	7.75
5.	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details:

Mr. Jignesh Vallabhnbhai Savani, aged 43 years, is a CEO of Company. Mr. Jignesh Vallabhnbhai Savani has completed Matriculation education from Gujarat Secondary Education Board. He has 20 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. He has work experience in all departments of Company like logistics, HR, Manufacturing, Accounts etc.

2. Past Remuneration:

Period	Remuneration paid (Rs.)
2020-21	4,300,008/- p.a.
2019-20	4,300,008/- p.a.

3. Recognition or awards:

Mr. Jignesh Vallabhnbhai Savani is well recognized for his leadership, visionary, and entrepreneur skills in managing business activities and has been efficiently managing overall affairs of the Company.

4. Job Profile and his suitability:

In the capacity of CEO of the Company, Mr. Jignesh Vallabhnbhai Savani shall be responsible for executing business strategy and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

5. Remuneration proposed:

Salary, perquisites and allowances at the rate of Rs. 51,50,000/- (Rupees Fifty One Lacs Fifty Thousands Only) per annum for a period of 2 years from 26th Day of November, 2021 to 25th Day of November, 2023.

Provided Salary, perquisites and allowances may be revised periodically by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee subject to the condition that the value of any increment in the annual Salary, perquisites and allowances payable to CEO shall not exceed 3% of the Annual Net Profit of the company as per the latest audited financial statements of the company.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Jignesh Vallabhnbhai Savani is holding 21.78% of the equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

III. OTHER INFORMATION:

1. Reasons of Loss or Inadequate Profits:

Company is primarily engaged the manufacturing of Active Pharma Ingredients & Fine Chemicals. Due to fiercely competitive environment in the industry, profitability of the company might affected.

2. Steps taken or proposed to be taken for improvement:

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

3. Expected increase in productivity and profits in measurable terms:

Looking at the past performance and efforts being made during the year, the Company is expecting around Twenty percent increase in the sales turnover and profits of the Company during the financial year 2021-22.

IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.

Mr. Jignesh Vallabhnbhai Savani is actively engaged in administrative work of the company since he was appointed as a Director. He has more than 20 years of experience in the Company. He has work experience in all departments of Company like logistics, HR, Manufacturing, Accounts etc.

Pursuant to the provisions of Sections 197 and other applicable provisions read along with Schedule V of the Companies Act, 2013 and applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 revision in remuneration of Mr. Jignesh Vallabhbhai Savani is required to be approved by the members of the company by Special Resolution.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

Mr. Jignesh Vallabhbhai Savani is interested in the resolution set out at Item No. 7 of the Notice. The relatives of Mr. Jignesh Vallabhbhai Savani may be deemed to be interested in the resolution set out at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, 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.

Place: Vadodara
Date: August 24, 2021

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

Sd/-


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

Par Drugs And Chemicals Limited
(Erstwhile Par Drugs And Chemicals Private 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 22nd ANNUAL GENERAL MEETING.

Directors retiring by rotation and eligible for reappointment:

Name of Director	Mrs. Nayna Jignesh Savani 
DIN No.	00198189
Designation	Non-Executive Director
Date of Birth	November 03, 1978
Age	42 Years
Date of first appointment on the Board	Appointed on 23/03/2006 & resigned w.e.f. 18/08/2014 Appointed again on 02/02/2018 as an Additional Director and regularized as a Director w.e.f. 29/09/2018
Qualification / Brief Resume / Expertise in specific functional area / experience	Nayna Jignesh Savani is a Non- Executive Director of our Company. She was Appointed as a Director on March 23, 2006 & resigned w.e.f. August 18, 2014. She was appointed as an 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. Further, She has an expertise in General Management.
No. of Shares held in the Company as on 31/03/2021	90692 Equity Shares
Remuneration	Sitting Fees as approved by the Board from time to time.
Relationship with other Directors and Key Managerial Personnel	Wife of Mr. Jignesh Vallabhbhai Savani, Director & CEO of the company and Sister-in-law of Mr. Falgun Vallabhbhai Savani, Chairman & Managing Director of the company.
No of meetings of the Board attended during the year	7 (Seven)
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

Directors seeking appointment:

1. Mrs. Bintal Bhaveshkumar Shah, Additional Independent Director (DIN:08893054)

Name of Director	Mrs. Bintal Bhaveshkumar Shah 
DIN No.	08893054
Designation	Additional Independent Director
Date of Birth	18/12/1975
Age	45 Years
Date of first appointment on the Board	Appointed as an Additional Independent Director on 28/09/2020
Qualification / Brief Resume / Expertise in specific functional area / experience	Bintal Bhaveshkumar Shah is an Additional Independent Director of our Company. She was appointed as an Additional Independent Director of the Company for a term of w.e.f. 28 th September, 2020. She holds a Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai. Further, She has an expertise in General Management.
No. of Shares held in the Company as on 31/03/2021	NIL
Remuneration	Sitting Fees as approved by the Board from time to time.
Relationship with other Directors and Key Managerial Personnel	Not Applicable
No of meetings of the Board attended during the year	3 (Three)
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

Dear Members,

Your Directors have immense pleasure in presenting the Twenty Second (22nd) 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, 2021.

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 Rs.)

Particulars	For the Year ended 31 st March,2021	For the Year ended 31 st March,2020
Revenue from Operations	60,75,13,047	55,84,86,873
Other Income	18,93,568	9,85,557
Total Revenue	60,94,06,615	55,94,72,431
Less: Total Expenses (excluding Depreciation)	45,38,08,505	47,19,38,694
Profit Before Depreciation & Tax	15,55,98,110	8,75,33,737
Less: Depreciation	2,81,93,951	2,76,15,126
Profit before extraordinary items and tax	12,74,04,159	5,99,18,611
Less: Extraordinary Items	-1,98,57,025	0
Profit before tax	14,72,61,183	5,99,18,611
Less:(i) Current Tax	3,36,10,000	1,00,00,000
(ii)Deferred Tax	-24,60,934	22,68,830
Net Profit/(Loss) For The Year	11,61,12,117	4,76,49,781
EPS (Basic & Diluted)	18.87	7.75

2. Performance Review

- 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.
- The highlights of the Company's performance are as under:-
 - Revenue from operations is increased to Rs.60,75,13,047/- during the current year compared to previous year of Rs.55,84,86,873/- i.e. the variation in the current year is approx 9%.
 - Net Profit after tax for the current year increased substantially to Rs. 11,61,12,117/- compared to the previous year of Rs. 4,76,49,857/- i.e. variation in the current year is approx 144% .
 - Earnings per share increased to Rs. 18.87 per share as compared to Rs. 7.75 per share during the previous year i.e. variation in the current year is approx 144%.

- For Fiscal 2021, our domestic and international operations accounted for 84% and 16%, 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 better business prospects and profitability.

3. IMPACT OF COVID-19:

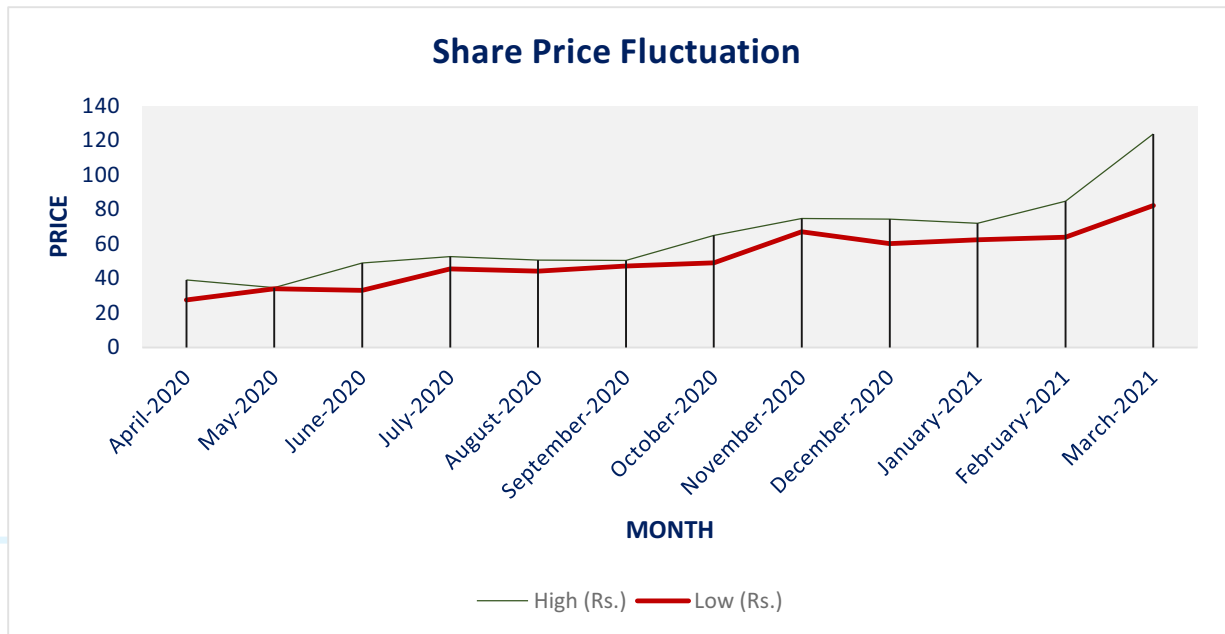
Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of COVID-19. This global pandemic significantly affects social and economic activities worldwide and as a result, the same could 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 2020-21 on NSE-Emerge*;

Month	High (Rs.)	Low (Rs.)	Volume	No of Trades
April-2020	39.2	27.5	46000	23
May-2020	34.75	34	6000	3
June-2020	49	33	96000	48
July-2020	52.75	45.5	164000	82
August-2020	50.7	44.25	76000	36
September-2020	50.5	47.15	30000	15
October-2020	64.9	49	298000	146
November-2020	74.8	67	178000	86
December-2020	74.35	60.25	160000	74
January-2021	71.95	62.4	118000	56
February-2021	84.9	64	208000	98
March-2021	123.8	82.3	182000	88

*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:

Your directors don’t recommend any dividend for the year under review as company had already issued Bonus Shares 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.

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.11,61,12,117/- transferred to the Surplus in the Statement of Profit & Loss whereas earlier income tax liability amounting to Rs.1,12,038/-utilized from the same.

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.
- 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.

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, 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.

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 forthcoming Annual General Meeting of the company and are recommended for re-appointment as Statutory Auditors of the company till the conclusion of the next Annual General Meeting of the Company to be held for the F.Y. 2021-22 at such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.

As required under the provisions of Section 139 of the Companies Act, 2013, company has obtained confirmation from M/s. V Dhamsania & Associates 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 2020-21.

Secretarial Auditor's Report:

The Secretarial Audit Report for the financial year ended 31st March, 2021 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, 2021 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.

GST Auditor:

The Board of directors had appointed M/s. V Dhamsania & Associates as GST Auditors of the Company for financial year 2020-21 & 2021-22.

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, 2021, 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)	46	NIL	NIL
2.	Mr. Jignesh Vallabhbhai Savani DIN: 00198203	CEO and Executive Director (Promoter)	43	NIL	NIL
3.	Mr. Ghanshayambhai Bhagvanbhai Savani DIN: 03055941	Whole Time Director (Promoter Group)	51	NIL	NIL

4.	Mrs. Shilpa Falgunbhai Savani* DIN: 00198250	Non- Executive Director (Promoter Group)	42	NIL	NIL
5.	Mrs. Nayna Jignesh Savani DIN: 00198189	Non- Executive Director (Promoter Group)	42	NIL	NIL
6.	Mr. Pravin Manjibhai Bhayani DIN: 08332851	Non- Executive Independent Director	48	NIL	NIL
7.	Mrs. Krishna Mitulbhai Shah DIN: 08317678	Non- Executive Independent Director	42	NIL	NIL
8.	Mrs. Kajal Chintanbhai Vaghani DIN: 08317641	Non- Executive Independent Director	41	NIL	NIL
9.	Bintal Bhaveshkumar Shah** DIN: 08893054	Non- Executive Additional Independent Director	45	NIL	NIL

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

** appointed w.e.f. 28th September, 2020

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, Mrs. Shilpa Falgunbhai 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, 2021, 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, **Mrs. Nayna Jignesh Savani, Non-Executive Director (DIN: 00198189)**, who retires by rotation and being eligible offers herself for re-appointment. Based on the performance evaluation and recommendation of the nomination and remuneration committee, the Board recommends her reappointment.

Mrs. Bintal Bhaveshkumar Shah (DIN: 08893054) was appointed as an Additional Independent Director w.e.f. 28th Day of September, 2020 and holds the office upto the date of ensuing Annual General Meeting of the company. Based on the performance evaluation and recommendation of the nomination and remuneration committee, Board recommends to regularize and appoint her as an Independent Director of the company in the ensuing Annual General Meeting of the company for a term of 5 years from 28th Day of September, 2020 to 27th September, 2025, without being liable to retire by rotation.

In the opinion of the Board, Mrs. Bintal Bhaveshkumar Shah fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and LODR for her appointment as an Independent Director of the Company and that the proposed director is independent of the management.

A brief resume of Directors retiring by rotation and appointed/re-appointed along with the nature of expertise, shareholding in the Company and other details as stipulated under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as an Annexure A to the Notice of the ensuing Annual General Meeting.

16.4 Meetings of Board of Directors:

Details of the Board Meetings held during the Financial Year ended 31st March, 2021 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
1/2020-21	01-06-2020	8	8
2/2020-21	15-06-2020	8	7
3/2020-21	05-08-2020	8	7
4/2020-21	28-09-2020	8	7
5/2020-21	29-10-2020	9	8
6/2020-21	04-02-2021	9	7
7/2020-21	18-03-2021	9	7

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 Vallabhbai Savani	7	7
Mr. Jignesh Vallabhbai Savani	7	7
Mr. Ghanshayambhai Bhagvanbhai Savani	7	7
Mrs. Shilpa Falgunbhai Savani	7	5
Mrs. Nayna Jignesh Savani	7	7
Mrs. Krishna Mitulbhai Shah	7	6

Mrs. Kajal Chintanbhai Vaghani	7	1
Mr. Pravin Manjibhai Bhayani	7	7
Mrs. Bintal Bhaveshkumar Shah	3	3

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, 2021.

The Composition of the Committee as on March 31, 2021 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	6/6
Mrs. Kajal Chintanbhai Vaghani	Non-Executive & Independent Director	Member	5/6
Falgun Vallabhbbhai Savani	Chairman & Managing Director	Member	6/6
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	5/6

Meeting No.	Date of Audit Committee Meeting	Total no. of Member	No. of Member present
1/AC/2020-21	30-05-2020	4	3
2/AC/2020-21	05-08-2020	4	3
3/AC/2020-21	28-09-2020	4	3
4/AC/2020-21	29-10-2020	4	3
5/AC/2020-21	04-02-2021	4	3
6/AC/2020-21	18-03-2021	4	3

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 21st July, 2020.

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, 2021.

The Committee met two times during the year i.e. 30/05/2021 and 28/09/2021. The Composition of the Committee as on March 31, 2021 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
Mrs. Nayna J. Savani	Non-Executive Director	Member	2/2

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 met two times during the year i.e. on 30/05/2021 and 18/03/2021. The Composition of the Committee as on March 31, 2021 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. Jignesh V. Savani	Executive Director & CEO	Member	2/2

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 Committee comprises of three members with two Independent Directors and one Non-executive Director as on March 31, 2021.

The Committee met three times during the year i.e. on 30/05/2020, 29/10/2020 and 04/02/2021. The Composition of the Committee as on March 31, 2021 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	3/3
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	3/3
Mr. Nayna J. Savani	Non-Executive Director	Member	3/3

5. Independent Director Meeting:

One Meeting of Independent Directors held on 17/03/2021 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 & Additional Independent Director	Member	1/1

16.6 Details of Remuneration paid to Directors/KMPs:

Name of Director/KMP	Designation	Remuneration p.a. (in Rs.)
Mr. Falgun Vallabhbbhai Savani	Chairman & Managing Director	43,00,008
Mr. Jignesh Vallabhbbhai Savani	CEO and Executive Director	43,00,008
Mr. Ghanshayambhai Bhagvanbhai Savani	Whole-time Director	43,00,008
Mrs. Shilpa Falgunbhai Savani	Non- Executive Director	5000*
Mrs. Nayna Jignesh Savani	Non- Executive Director	12000*
Mrs. Krishna Mitulbhai Shah	Non- Executive Independent Director	20000*
Mrs. Kajal Chintanbhai Vaghani	Non- Executive Independent Director	2000*
Mr. Pravin Manjibhai Bhayani	Non- Executive	21000*

	Independent Director	
Mrs. Bintal Bhaveshkumar Shah	Non- Executive Additional Independent Director	4000*
Mr. Sanket Bhupendrabhai Trivedi	Company Secretary & Compliance Officer	4,39,962
Mr. Chintan Pratapbhai Chauhan	CFO	4,41,291

*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, 2013 and 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.

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:

The extract of Annual Return in **Form No.MGT-9** as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2021 is annexed hereto as **Annexure - II** and forms part of this report.

The Annual return of the Company for FY 2019-20 has been placed on the website of the Company and available at www.pardrugs.com. The Company will also place annual return in Form No MGT-7 for FY 2020-21 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 of Rs.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:

As on 31st March, 2021, Paid up Share Capital of the company was Rs.6,15,23,180/- (Rupees Six Crores Fifteen Lakhs Twenty Three Thousands One Hundred and Eighty Only) divided into 61,52,318 Equity Shares of Rs.10/- (Rupees Ten Only) each.

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. DEMATERIALIZATION OF SHARES:

100% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2021.

23. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

There were no contracts 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. 32 to the Balance Sheet as on 31st March, 2021.

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 – III** and forms part of this report.

B. Foreign Exchange earnings and Outgo:

Foreign Earnings: Rs. 9,70,55,606 /-

Foreign Outgo: Rs. 94,20,676/-

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(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under.

Name of Director	Remuneration	Ratio of Remuneration of director to median remuneration of employee	% Increase/Decrease
Mr. Falgun Vallabhbai Savani	43,00,008/-	24.44:1	Not Applicable
Mr. Jignesh Vallabhbai Savani	43,00,008/-	24.44:1	Not Applicable
Mr. Ghanshayambhai Bhagvanbhai Savani	43,00,008/-	24.44:1	Not Applicable
Total	1,29,00,024/-		

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 **1,75,932.00/-**
2. The Company is hereby affirmed that the remuneration is as per remuneration policy 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.

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 IV of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the said Report, which is a part of this report. CSR Policy is available on the Company's website on www.pardrugs.com

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.

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, which forms part of this report Annexure V.

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. 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.

Date: 24th August, 2021
Place: Vadodara

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

Sd/-

Sd/-

.....
(Falgun V. Savani)

.....
(Jignesh V. Savani)

**Chairman & Managing Director
(DIN: 00198236)**

**Director & CEO
(DIN: 00198203)**



Form No. MR-3
SECRETARIAL AUDIT REPORT

For the financial year ended 31ST March, 2021

[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, 2021 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, 2021 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 and Other 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;
 - g. The Drugs and Cosmetic Rules, 1945;
 - 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. The Board of Directors at its meeting held on 1st June, 2020 recommended to the members the final Dividend for the financial year 2019-20 on Equity Shares at the rate of 12.50 % i.e. Rs. 1.25/- per Equity Share of the face value of Rs. 10/- each and the same was declared at the 21st AGM of the company held on 21st Day of July, 2020.

2. The Board of Directors at its meeting held on 18th March, 2021 considered and approved subject to approval of the shareholders of the Company increase in Authorized Share Capital of the Company from existing 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.

Shareholders of the Company had approved the said increase in Authorized Share Capital vide Ordinary Resolution passed in the Extra-ordinary General Meeting held on 15/04/2021.

3. The Board of Directors at its meeting held on 18th March, 2021 considered, approved and recommended issue of Bonus Equity Shares, in the ratio of 1: 1 i.e. 1 (one) Bonus Equity Shares of Rs. 10/- each for every 1 (one) fully paid-up equity share of Rs. 10/-.

Shareholders of the Company had approved the said Bonus Issue vide Ordinary Resolution passed in the Extra-ordinary General Meeting held on 15/04/2021. As on date of signing of this report, company has completed the Bonus Issue procedure.

Place: Bhavnagar
Date: 10/06/2021

FOR DG PATEL & ASSOCIATES
Company Secretaries

Sd/-

Dip G. Patel
(Proprietor)
FCS: 10533
C.P. No.: 13774
UDIN: F010533C000441238

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.

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.

Place: Bhavnagar
Date: 10/06/2021

FOR DG PATEL & ASSOCIATES
Company Secretaries

Sd/-

Dip G. Patel
(Proprietor)
FCS: 10533
C.P. No.: 13774
UDIN: F010533C000441238

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L24117GJ1999PLC035512
2.	Registration Date	26/02/1999
3.	Name of the Company	PAR DRUGS AND CHEMICALS LIMITED
4.	Category/Sub-Category of the Company	Public Limited Company/Company Limited by Shares/Indian Non-Government Company
5.	Address of the Registered office and contact details	815, Nilamber Triumph, Gotri Vasna Road, Vadodara -390007, Gujarat, India Phone no.: 0265-2991021, 0278-2447013 Website: www.pardrugs.com Email: investors@pardrugs.com
6.	Whether listed company: Yes/No	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Active Pharma Ingredients ("APIs")	2100	64%
2	Fine Chemicals	2011	36%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1 st April, 2020)				No. of Shares held at the end of the year (as on 31 st March, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters' *									
(1) Indian									
a) Individual/HUF	4498318	-	4498318	73.12	4544318	-	4544318	73.86	0.74
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total A(1)	4498318	-	4498318	73.12	4544318	-	4544318	73.86	0.74
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total A(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter A = A(1)+A(2)	4498318	-	4498318	73.12	4544318	-	4544318	73.86	0.74

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	204880	-	204880	3.33	40000	-	40000	0.65	(2.68)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	819120	-	819120	13.31	606000	-	606000	9.85	(3.46)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	494000	-	494000	8.03	872000	-	872000	14.17	6.14
c) Others (specify)									
HUFs	120000	-	120000	1.95	84000	-	84000	1.37	(0.58)
Clearing Members	14000	-	14000	0.23	-	-	-	-	(0.23)
Non Resident (Non Repatriable)	2000	-	2000	0.03	6000	-	6000	0.10	0.07
Sub-total (B)(2):	1654000	-	1654000	26.88	1608000	-	1608000	26.14	(0.74)

Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	6152318	-	6152318	100.00	6152318	-	6152318	100.00	-

* Promoters' shareholding as mentioned above includes shareholding of promoter group also.

ii) *Shareholding of Promoters & Promoters Group:*

(a) *Shareholding of Promoters:*

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Falgun V. Savani	1306976	21.24	-	1322976	21.50	-	0.26
2.	Jignesh V. Savani	1330220	21.62	-	1340220	21.78	-	0.16
	Total	2637196	42.86	-	2663196	43.28	-	0.42

(b) *Shareholding of Promoters' Group:*

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Vallabhbai J. Savani	1191236	19.36	-	1197236	19.46	-	0.10
2.	Saritaben S. Savani	110866	1.80	-	110866	1.80	-	-
3.	Shilpa F. Savani	87686	1.43	-	87686	1.43	-	-
4.	Nayna J. Savani	90692	1.47	-	90692	1.47	-	-
5.	Ghanshayam bhai B. Savani	380642	6.19	-	394642	6.41	-	0.22
	Total	1861122	30.25	-	1881122	30.57	-	0.32

iii) Change in Promoters' & Promoters' Group Shareholding (please specify, if there is no change):

(a) Change in Promoters' Shareholding:

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Falgun V. Savani				
	At the beginning of the year	1306976	21.24	1306976	21.24
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease: Increase due to purchase of shares between February 3, 2021 to February 22, 2021	16000	0.26	1322976	21.50
	At the end of the year	1322976	21.50	1322976	21.50
2.	Jignesh V. Savani				
	At the beginning of the year	1330220	21.62	1330220	21.62
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease: Increase due to purchase of shares between February 3, 2021 to February 12, 2021	10000	0.16	1340220	21.78
	At the end of the year	1340220	21.78	1340220	21.78

(b) Change in Promoters' Group Shareholding:

1.	Vallabhbai J. Savani				
	At the beginning of the year	1191236	19.36	1191236	19.36
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease: Increase due to purchase of shares between February 3, 2021 to February 22, 2021	6000	0.10	1197236	19.46
	At the end of the year	1197236	19.46	1197236	19.46
2.	Saritaben S. Savani				
	At the beginning of the year	110866	1.80	110866	1.80
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease.	-	-	110866	1.80
	At the end of the year	110866	1.80	110866	1.80
3.	Shilpa F. Savani				
	At the beginning of the year	87686	1.43	87686	1.43
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease	-	-	87686	1.43
	At the end of the year	87686	1.43	87686	1.43

4.	Nayna J. Savani				
	At the beginning of the year	90692	1.47	90692	1.47
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease	-	-	90692	1.47
	At the end of the year	90692	1.47	90692	1.47
5.	Ghanshayambhai B. Savani				
	At the beginning of the year	380642	6.19	380642	6.19
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease:				
	Increase due to purchase of shares between February 3, 2021 to February 23, 2021	14000	0.22	394642	6.41
	At the end of the year	394642	6.41	394642	6.41

**iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sunitaben Paragbhai Shah				
	At the beginning of the year	118000	1.92	118000	1.92
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	118000	1.92
	At the end of the year	118000	1.92	118000	1.92
2.	Parag Jayantibhai Shah				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease				
	Increase due to purchase of share from open market	70000	1.14	70000	1.14
	At the end of the year	70000	1.14	70000	1.14
3.	Mahesh R Kanzariya				
	At the beginning of the year	50000	0.81	50000	0.81
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	50000	0.81
	At the end of the year	50000	0.81	50000	0.81

4.	Anuj Gupta				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease Increase due to purchase of share from open market	48000	0.78	48000	0.78
	At the end of the year	48000	0.78	48000	0.78
5.	Vidhi Parag Shah				
	At the beginning of the year	42000	0.68	42000	0.68
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	42000	0.68
	At the end of the year	42000	0.68	42000	0.68
6.	Nirag J Shah				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease Increase due to purchase of share from open market	42000	0.68	42000	0.68
	At the end of the year	42000	0.68	42000	0.68
7.	Raj Milan Bhayani				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease Increase due to purchase of share from open market	42000	0.68	42000	0.68
	At the end of the year	42000	0.68	42000	0.68
8.	Yogesh Dulabhai Miyani				
	At the beginning of the year	40000	0.65	40000	0.65
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	40000	0.65
	At the end of the year	40000	0.65	40000	0.65
9.	Oceanic Pharmachem Private Limited				
	At the beginning of the year	36000	0.59	36000	0.59
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	36000	0.59
	At the end of the year	36000	0.59	36000	0.59
10.	Parth G Desai				
	At the beginning of the year	36000	0.59	36000	0.59
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	36000	0.59

	At the end of the year	36000	0.59	36000	0.59
11.	Saurabh Mohnot				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease Increase due to purchase of share from open market.	26000	0.42	26000	0.42
	At the end of the year	26000	0.42	26000	0.42
12.	Dolly Chetan Shah				
	At the beginning of the year	26000	0.42	26000	0.42
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease	-	-	26000	0.42
	At the end of the year	26000	0.42	26000	0.42
13.	Jayanti M Shah				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease Increase due to purchase of share from open market.	26000	0.42	26000	0.42
	At the end of the year	26000	0.42	26000	0.42
14.	Hareshkumar Jayantilal Shah				
	At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease Increase due to purchase of share from open market.	26000	0.42	26000	0.42
	At the end of the year	26000	0.42	26000	0.42
15	Gaurav Kiritkumar Shah				
	At the beginning of the year	24000	0.39	24000	0.39
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	24000	0.39
	At the end of the year	24000	0.39	24000	0.39
16.	Kiritbhai Makanbhai Raval				
	At the beginning of the year	24000	0.39	24000	0.39
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	24000	0.39
	At the end of the year	24000	0.39	24000	0.39
17.	Praveen Kumar Gupta				
	At the beginning of the year	24000	0.39	24000	0.39
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for	-	-	24000	0.39

	increase/decrease.				
	At the end of the year	24000	0.39	24000	0.39
18.	Chetankumar Shashikant Shah				
	At the beginning of the year	22000	0.36	22000	0.36
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease.	-	-	22000	0.36
	At the end of the year	22000	0.36	22000	0.36

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A.	Shareholding of Directors				
1.	Falgun V. Savani (Chairman & Managing Director)				
	At the beginning of the year	1306976	21.24	1306976	21.24
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease: Increase due to purchase of shares between February 3, 2021 to February 22, 2021	16000	0.26	1322976	21.50
	At the end of the year	1322976	21.50	1322976	21.50
2.	Jignesh V. Savani (Director & CEO)				
	At the beginning of the year	1330220	21.62	1330220	21.62
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease: Increase due to purchase of shares between February 3, 2021 to February 12, 2021	10000	0.16	1340220	21.78
	At the end of the year	1340220	21.78	1340220	21.78
3.	Ghanshayambhai B. Savani (Whole-time Director)				
	At the beginning of the year	380642	6.19	380642	6.19
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease: Increase due to purchase of shares between February 3, 2021 to February 23, 2021	14000	0.22	394642	6.41
	At the end of the year	394642	6.41	394642	6.41

4.	<i>Shilpa Falgunbhai Savani</i>				
	At the beginning of the year	87686	1.43	87686	1.43
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease	-	-	87686	1.43
	At the end of the year	87686	1.43	87686	1.43
5.	<i>Nayna Jignesh Savani</i>				
	At the beginning of the year	90692	1.47	90692	1.47
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease	-	-	90692	1.47
	At the end of the year	90692	1.47	90692	1.47
B.	<i>Shareholding of Key Managerial Personnel (other than Directors)</i>				
1.	<i>Chintan Pratapbhai Chauhan (CFO)</i>				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the year	-	-	-	-
2.	<i>Sanket Bhupendrabhai Trivedi (CS)</i>				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans (including CC) excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,00,07,902	3,80,43,219	-	5,80,51,121
ii) Interest due but not paid	-	20,65,399	-	20,65,399
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,00,07,902	4,01,08,618		6,01,16,520
Change in Indebtedness during the financial year				
* Addition	2,51,60,432	-	-	2,51,60,432
* Reduction	-	(20,65,399)	-	(20,65,399)
Net Change	2,51,60,432	(20,65,399)		2,30,95,033
Indebtedness at the end of the financial year				
i) Principal Amount	4,51,68,334	3,80,43,219	-	8,32,11,553
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4,51,68,334	3,80,43,219	-	8,32,11,553

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors, Other Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/Manager/Other Directors			Total
		Falgun V. Savani (MD & Chairman)	Ghanshayambhai B. Savani (Whole-time Director)	Jignesh V. Savani (Director & CEO)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43,00,008	43,00,008	43,00,008	1,29,00,024
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission - as % of profit - others, specify...	-	-	-	
5	Others (sitting fees)	13,000	7,000	9,000	29,000
	Total (A) *	43,00,008	43,00,008	43,00,008	1,29,00,024
	Ceiling as per the Act	43,00,008	43,00,008	43,00,008	1,29,00,024

*sitting fees not included in total remuneration as is not to be considered for ceiling of remuneration as per Act.

B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Krishna Mitulbhai Shah	Kajal Chintanbhai Vaghani	Pravin Manjibhai Bhayani	Bintal Bhavesh kumar Shah	
1	Independent Directors					
	Fee for attending board meetings	20000	2000	21000	4000	47000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	20000	2000	21000	4000	47000
2	Other Non-Executive Directors					
	Fee for attending board	5000	12000			17000
	Commission	-	-			-
	Others, please specify	-	-			-
	Total (2)	5000	12000			17000
	Total (B)=(1+2)					64000
	Total Managerial Remuneration	-	-	-		-
	Overall Ceiling as per the Act	-	-	-		-

C. Remuneration to key managerial personnel other than MD/Manager/WTD:

SN	Particulars of Remuneration	Key Managerial Personnel		
		Sanket B. Trivedi (CS)	Chintan Pratapbhai Chauhan (CFO)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,39,962	4,41,291	8,81,253
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others	-	-	-
	Total	4,39,962	4,41,291	8,81,253

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY:					
Penalty					
Punishment			-----NIL-----		
Compounding					
B. DIRECTORS:					
Penalty					
Punishment			-----NIL-----		
Compounding					
C. OTHER OFFICERS IN DEFAULT:					
Penalty					
Punishment			-----NIL-----		
Compounding					

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

Date: 24th August, 2021
Place: Vadodara

Sd/-

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

Sd/-

.....
(Jignesh J. Savani)
Director & CEO
(DIN: 00198203)



PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

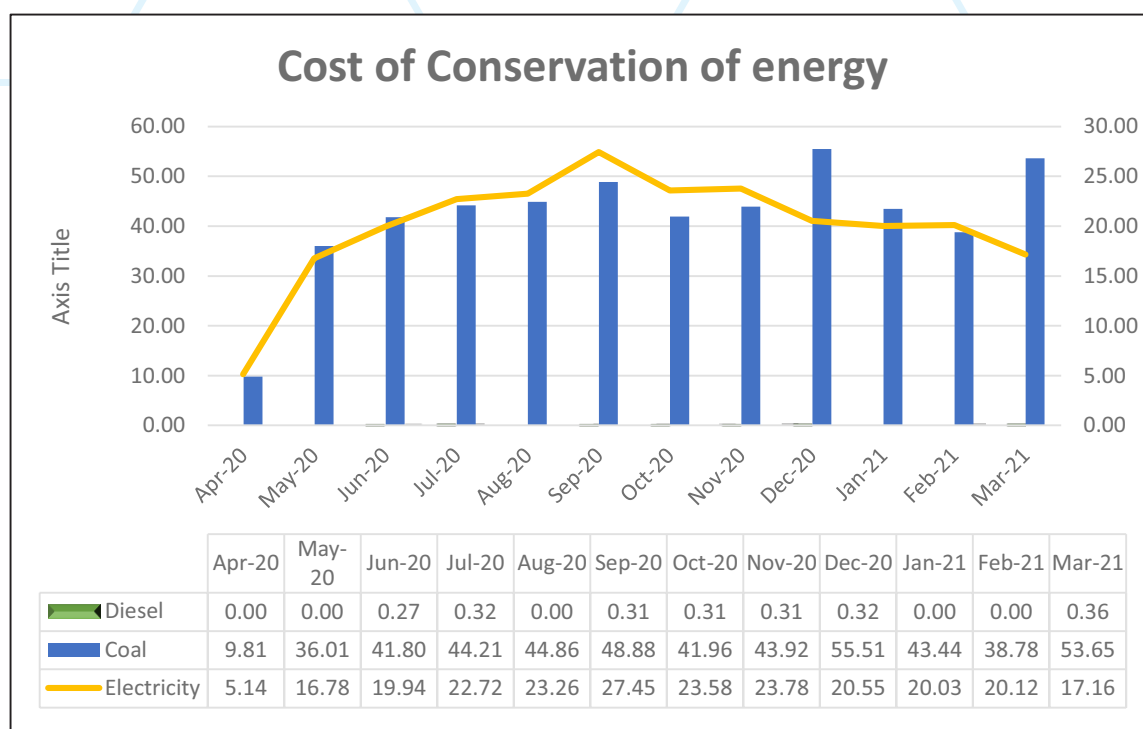
(A) Conservation of energy-

(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 18 APIs and 10 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. 20 20-21 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)
3225564	240.52/-	7347.75	502.82/-	2800.00	2.20/-

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



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

During the financial year 2020-21, solar panel generated the electrical energy which reduce CO2 emission total of 121640 Kilograms with base line of Average CO2 generation of 820 Grams.

(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 under:

Sr.	Technology Absorb	Result
1	Modification in Filter Press reconditioning work at API Block-1	Increase in the quality of product
2	Modification in material conveying system at API Block-1	Improve in the production process
3	Modification in drying section in Fine Chemical plant.	Improve in production efficiency
4	Installation of machinery at drying section in at Fine Chemical plant	Uninterrupted Production
5	Reconditioning of Filter Press at API Block-2.	Increase in the quality of product
6	Reconditioning material conveying system at API Block-2	Improve in the production process
7	Shuttle Conveyor Belt removed from Cake storage main hopper of API plant to eliminate Cake spillage.	Reduction of Electrical load
8	Repositioning of material conveying system work at API Plant	Automation of production process

(ii) the benefits derived like product improvement, 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: Nil

Annual Report on CSR Activities

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 mentioned below :

https://www.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	3	3
2.	Mrs. Krishna Mitulbhai Shah	Member, Independent, Non-Executive Director	3	3
3.	Mrs. Nayna Jignesh Savani	Member, Non-Independent, Non-Executive Director	3	3

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 - https://www.pardrugs.com/pdf/policies/Final_CSR_POLICY.pdf

CSR projects - <https://www.pardrugs.com/csr-par-drugs-and-chemicals.php>

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 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. 2020-21

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. 3,99,37,447/-

7. (a) Two percent of average net profit of the Company as per section 135(5) : Rs. 7,98,749/-

(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. 7,98,749/-

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

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
8,45,263/-	NIL	—	—	NIL	—

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

(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	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-	-

*There is no any ongoing project for CSR activity

(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 of activities in schedule VII 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 - Through implementing agency	
				State	District			Name	CSR registration number
1	PROJECT PAVITRAS (Project-1) "Par's Vision for Talaja's Rich academics & Skill enhancement"	(ii)	Yes	Gujarat	Bhavnagar	3,93,603/-	Yes	N.A.	N.A.
2	PROJECT DIGITAL LEARNING (Project-2) Implementation, Development and Maintenance of Digital Room for Learning and Training.	(ii)	Yes	Gujarat	Bhavnagar	4,51,660/-	Yes	N.A.	N.A.
	Total	—	—	—	—	8,45,263/-	—	—	—

Amount spent in Administrative Overheads: Nil

- (b) **Amount spent on Impact Assessment, if applicable:** Not Applicable
- (c) **Total amount spent for the Financial Year (8b+8c+8d+8e) :** 8,45,263/-
- (d) **Excess amount for set off, if any**

Sr. No.	Particular	Amount (In Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	7,98,749
(ii)	Total amount spent for the Financial Year	8,45,263
(iii)	Excess amount spent for the financial year [(ii)-(i)]	46,514
(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)]	46,514

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

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

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

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

Sd/-

(Mr. Pravin M. Bhayani)

Chairman of CSR Committee

Sd/-

(Jignesh V. Savani)

Director & Chief Executive Director

CORPORATE GOVERNANCE REPORT

In accordance with Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the report containing the details of governance system and process at PAR DRUGS AND CHEMICALS LIMITED is as under:

1. Company's Philosophy on Corporate Governance:

As a policy of PAR DRUGS AND CHEMICALS LIMITED ("Company" or "PAR") gives utmost importance of achieving high standards of Corporate Governance and is committed to achieve the highest level of Corporate Governance in order to enhance long-term shareholder value by integration of systems and actions for enhancement of corporate performance. The Company places due emphasis on regulatory compliance and the Company gives equal importance for maintaining as well as improving the quality of its products and to achieve this, the Company carries out continuous product developments and quality controls. The Company gives utmost importance for developing a team of competitive professional managers. Overall, policy is set by the Board of Directors and implemented by a team of professional managers in their respective field. The Company gives fair amount of freedom to the employees to get their best contribution to the Company and rewards and incentives are given in recognition thereof.

The details of company's board structure and the various committees that constitute the governance structure of the organization are covered in detail in this report.

2. Board of Directors:

(1) As on 31st March, 2021, Company had 9 (Nine) directors on the Board, including 3 (Three) Executive Directors, 6 (Six) Non- Executive Director out of which 4 (Four) are Independent Directors. Our Board also has 5 (Five) Women Directors. The Board of Directors of the Company comprises of optimum mix of both Executive and Non-executive Directors with independent Directors. As on 31st March, 2021 Regulation 17 of the SEBI Listing Regulations was not applicable to company as company is listed on SME platform of NSE.

Mrs. Shilpa Falgunbhai Savani, Non-Executive Director (DIN: 00198250) resigned from post of Non-Executive Director w.e.f. 24th August, 2021. As on date of this report, the composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

(2) 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.

None of the Directors on the Board holds positions in any Committees in other public companies as on March 31, 2021. 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
	Shilpa Falgunbhai Savani	Spouse
Jignesh Vallabhbhai Savani	Nayna Jignesh Savani	Spouse
	Falgun Vallabhbhai Savani	Brother

(3) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI 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.

(4) Seven 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:

01-06-2020; 15-06-2020, 05-08-2020, 28-09-2020, 29-10-2020, 04-02-2021 and 18-03-2021. The necessary quorum was present for all the meetings.

(5) 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, 2021 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 2020-21	Attendance at the last AGM held on July 21, 2020	No. of Directorship in other Public Companies	No. of Committees Positions held in other Public Companies (Other than Par Drugs And Chemicals Limited)	Directorship in other listed entity (Category of Directorship)

				Chairman	Member	Chairman	Member	
Mr. Falgun Vallabhbhai Savani Chairman & Managing Director	Non-Independent, Executive Director, Promoter	7	YES	-	-	-	-	-
Mr. Jignesh Vallabhbhai Savani Executive Director & CEO	Non-Independent, Executive Director, Promoter	7	YES	-	-	-	-	-
Mr. Ghanshayambhai Bhagvanbhai Savani Whole-time Director	Non-Independent, Executive Director, Promoter Group	7	YES	-	-	-	-	-
Mrs. Shilpa Falgunbhai Savani Non-Executive Director	Non-Independent, Non-Executive, Promoter Group	5	YES	-	-	-	-	-
Mrs. Nayna Jignesh Savani Non-Executive Director	Non-Independent, Non-Executive, Promoter Group	7	YES	-	-	-	-	-
Mrs. Krishna Mitulbhai Shah Independent Director	Independent, Non-Executive	6	YES	-	-	-	-	-
Mrs. Kajal Chintanbhai Vaghani Independent Director	Independent, Non-Executive	1	YES	-	-	-	-	-

Mr. Pravin Manjibhai Bhayani Independent Director	Independent, Non-Executive	7	YES	-	-	-	-	-
Mrs. Bintal Bhaveshkumar Shah Additional Independent Director	Additional Independent, Non-Executive	3	N.A.	-	-	-	-	-

- 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.

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

(7) During FY 2021, one meeting of the Independent Directors was held on April 15, 2020. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

(8) The Board periodically reviews the compliance reports of all laws applicable to the Company.

(9) Details of equity shares of the Company held by the Directors as on March 31, 2021 are given below:

Name	Category	No. of equity shares held
Mr. Falgun Vallabhbai Savani	Non- Independent, Executive Director, Promoter	1322976
Mr. Jignesh Vallabhbai Savani	Non- Independent, Executive Director, Promoter	1340220
Mr. Ghanshayambhai Bhagvanbhai Savani	Non- Independent, Executive Director, Promoter Group	394642
Mrs. Shilpa Falgunbhai Savani	Non- Independent, Non-Executive, Promoter Group	87686
Mrs. Nayna Jignesh Savani	Non- Independent, Non-Executive, Promoter Group	90692
Mrs. Krishna Mitulbhai Shah	Independent, Non-Executive	0
Mrs. Kajal Chintanbhai Vaghani	Independent,	0

	Non-Executive	
Mr. Pravin Manjibhai Bhayani	Independent, Non-Executive	0
Mrs. Bintal Bhaveshkumar Shah	Additional Independent, Non-Executive	0

The Company has not issued any convertible instruments.

(10) The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Skills / Expertise / Competencies		Names of directors who have such Skills / Expertise / Competence
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.	Mr. Pravin Manjibhai Bhayani, Independent, Non-Executive Director Mr. Falgun Vallabhbai Savani, Managing Director
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	Mr. Pravin Manjibhai Bhayani, Independent, Non-Executive Director Mr. Falgun Vallabhbai Savani, Managing Director Mr. Jignesh Vallabhbai Savani, Executive Director & CEO
Leadership & Management	Ability to boost strengths and abilities of individuals that help to oversee processes, guide initiatives and steer employees toward the achievement of goals	Mr. Jignesh Vallabhbai Savani, Executive Director & CEO Mr. Ghanshayambhai Bhagvanbhai Savani, Whole time Director


(11) 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:

Mrs. Krishna Mitulbhai Shah
Mrs. Kajal Chintanbhai Vaghani
Mr. Pravin Manjibhai Bhayani
Mrs. Bintal Bhaveshkumar Shah


(12) 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	Mrs. Nayna Jignesh Savani 
DIN No.	00198189
Designation	Non-Executive Director
Date of Birth	November 03, 1978
Age	42 Years
Date of first appointment on the Board	Appointed on 23/03/2006 & resigned w.e.f. 18/08/2014 Appointed again on 02/02/2018 as an Additional Director and regularized as a Director w.e.f. 29/09/2018
Qualification / Brief Resume / Expertise in specific functional area / experience	Nayna Jignesh Savani is a Non- Executive Director of our Company. She was Appointed as a Director on March 23, 2006 & resigned w.e.f. August 18, 2014. She was appointed as an 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. Further, She has an expertise in General Management.
No. of Shares held in the Company as on 31/03/2021	90692 Equity Shares
Remuneration	Sitting Fees as approved by the Board from time to time.
Relationship with other Directors and Key Managerial Personnel	Wife of Mr. Jignesh Vallabhshai Savani, Director & CEO of the company and Sister-in-law of Mr. Falgun Vallabhshai Savani, Chairman & Managing Director of the company.
No of meetings of the Board attended during the year	7 (Seven)
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

Directors seeking appointment:

Name of Director	Mrs. Bintal Bhaveshkumar Shah 
DIN No.	08893054
Designation	Additional Independent Director
Date of Birth	18/12/1975
Age	45 Years

Date of first appointment on the Board	Appointed as an Additional Independent Director on 28/09/2020
Qualification / Brief Resume / Expertise in specific functional area / experience	Bintal Bhaveshkumar Shah is an Additional Independent Director of our Company. She was appointed as an Additional Independent Director of the Company for a term of w.e.f. 28 th September, 2020. She holds a Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai. Further, She has an expertise in General Management.
No. of Shares held in the Company as on 31/03/2021	NIL
Remuneration	Sitting Fees as approved by the Board from time to time.
Relationship with other Directors and Key Managerial Personnel	Not Applicable
No of meetings of the Board attended during the year	3 (Three)
Remuneration	Sitting Fees as approved by the Board from time to time.
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, 2021.

The Composition of the Committee as on March 31, 2021 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	6/6
Mrs. Kajal Chintanbhai Vaghani	Non-Executive & Independent Director	Member	5/6
Falgun Vallabhbhai Savani	Chairman & Managing Director	Member	6/6
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	5/6

Meeting No.	Date of Audit Committee Meeting	Total no. of Member	No. of Member present
1/AC/2020-21	30-05-2020	4	3
2/AC/2020-21	05-08-2020	4	3
3/AC/2020-21	28-09-2020	4	3
4/AC/2020-21	29-10-2020	4	3
5/AC/2020-21	04-02-2021	4	3
6/AC/2020-21	18-03-2021	4	3

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 21st July, 2020.

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, 2021.

The Committee met two times during the year i.e. 30/05/2021 and 28/09/2021. The Composition of the Committee as on March 31, 2021 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
Mrs. 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 21st July, 2020.

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 in accordance 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 two times during the year i.e. on 30/05/2021 and 18/03/2021. The Composition of the Committee as on March 31, 2021 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. Jignesh V. Savani	Executive Director & CEO	Member	2/2

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 21st July, 2020.

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) Redressal of security holder's/investor's complaints Efficient transfer of shares; including review of cases 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 2020-21 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 Committee comprises of three members with two Independent Directors and one Non-executive Director as on March 31, 2021.

The Committee met three times during the year i.e. on 30/05/2020, 29/10/2020 and 04/02/2021. The Composition of the Committee as on March 31, 2021 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	3/3
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	3/3
Mr. Nayna J. Savani	Non-Executive Director	Member	3/3

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on 21st July, 2020.

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 www.pardrugs.com

The Company pays Sitting Fees of Rs. 1000/- per meeting to its Non-Executive Directors (NEDs) for attending the Meeting of the Board of Directors or its Committees. The details of the remuneration paid to the Directors/KMPs for the year 2020-21 are as follows:

A. To Executive Directors/KMPs:

(in Rs.)

Name of Director/KMP	Designation	Salary	Benefits, Perquisites and Allowances	Total
Mr. Falgun Vallabhbhai Savani	Chairman & Managing Director	43,00,008	-	43,00,008
Mr. Jignesh Vallabhbhai Savani	CEO and Executive Director	43,00,008	-	43,00,008
Mr. Ghanshayambhai Bhagvanbhai Savani	Whole-time Director	43,00,008	-	43,00,008
Mr. Sanket Bhupendrabhai Trivedi	Company Secretary & Compliance Officer	4,39,962	-	4,39,962
Mr. Chintan Pratapbhai Chauhan	CFO	4,41,291	-	4,41,291
Total		1,37,81,277	-	1,37,81,277

B. To Non-Executive Directors:

(in Rs.)

Name of Director/KMP	Designation	Salary	Sitting Fees	Total
Mrs. Shilpa Falgunbhai Savani	Non- Executive Director	-	5000	5000
Mrs. Nayna Jignesh Savani	Non- Executive Director	-	12000	12000
Mrs. Krishna Mitulbhai Shah	Non- Executive Independent Director	-	20000	20000
Mrs. Kajal Chintanbhai Vaghani	Non- Executive Independent Director	-	2000	2000
Mr. Pravin Manjibhai Bhayani	Non- Executive Independent Director	-	21000	21000
Mrs. Bintal Bhaveshkumar Shah	Non- Executive Additional Independent Director	-	4000	4000
Total			64,000	64,000

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
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.
2017-18	13, Spring View, Near Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara- 391410, Gujarat.	29/09/2018 11.00 A.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
2020-21	Not Applicable	Not Applicable	Not Applicable
2019-20	Not Applicable	Not Applicable	Not Applicable
2018-19	805, Dwarkesh Complex R.C. Dutt Road, Alkapuri, Vadodara-390007, Gujarat	30/07/2018	No Special Resolutions were passed
	13, Spring View, Near Bright Day School, Vasna Bhayli Road, Bhayli, Vadodara- 391410, Gujarat	24/10/2018 11.00 A.M.	1. To convert company into Public Limited Company. 2. To amend Object Clause of Memorandum of Association of the company. 3. To adopt a new set of Articles of Association of the company.

	333/1, G.I.D.C. Industrial Estate, Phase-II, Chitra, Bhavnagar – 364004, Gujarat.	18/12/2018 12.00 P.M.	<ol style="list-style-type: none"> 1. Appointment of Mr. Falgun Vallabhbhai Savani (DIN: 00198236) as a Chairman & Managing Director of the company. 2. Appointment of Mr. Jignesh Vallabhbhai Savani (DIN: 00198203) as a Chief Executive Officer (CEO) of the company. 3. Appointment of Mr. Ghanshayambhai Bhagvanbhai Savani (DIN: 03055941) as a Whole-time Director of the Company. 4. To amend Articles of Association of the company.
	333/1, G.I.D.C. Industrial Estate, Phase-II, Chitra, Bhavnagar – 364004, Gujarat.	09/02/2019 4.00 P.M.	<ol style="list-style-type: none"> 1. Authority for making Initial Public Offering. 2. Authority to convert Unsecured Loans into Equity Share Capital
	333/1, G.I.D.C. Industrial Estate, Phase-II, Chitra, Bhavnagar – 364004, Gujarat.	09/03/2019 3.00 P.M.	<ol style="list-style-type: none"> 1. Approval of limits under section 180(1)(a) of the Companies Act, 2013. 2. Approval for borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013. 3. Conversion of 0.001% convertible Non Cumulative Redeemable Preference Shares into equity shares. 4. Conversion of Unsecured Loans into Equity Share Capital. 5. Re-Classification of Authorized Share Capital of the Company. 6. Approval to keep Registers, Copies of Returns, material documents, at Corporate Office of the Company at Bhavnagar. 7. To approve payment of interest on unsecured loan.
2017-18	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:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated August 17, 2020 to Sell, transfer and disposal of factory Unit-II of the company situated at Ankleshwar, Gujarat, India, which was duly passed and the results of which were announced on September 19, 2020. Dip G. Patel (Membership No. FCS 10533) of DG PATEL & ASSOCIATES, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process only by voting through electronic means (remote e-voting) in a fair and transparent manner.

Particulars	Number of Members Voted through			Number of valid Votes contained in			Percent age
	Postal Ballot Forms	Remote e-voting	Total	Postal Ballot Forms	Remote e-voting	Total	Total
Voted in favor	N.A.	9	9	N.A.	4520318	4520318	100.00
Voted against	N.A.	0	0	N.A.	0	0	0.00
Total	N.A.	9	9	N.A.	4520318	4520318	100.00

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 read with the Circular No. 14/2020 dated April 8, 2020 and Circular No. 17/2020 dated April 13, 2020 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 2020-21 is given below:

Rs. 1,50,000/- (Rupees One Lakh Fifty 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	Schedule V (C) 10(b) to the SEBI Listing Regulations	NIL	-

Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets during the last three financial years.			
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 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	www.pardrugs.com

		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:

Half Yearly Results: Half Yearly 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.

Website of the company: www.pardrugs.com

Whether it also displays Official News releases: News releases, if any made by the company are also displayed.

The presentation made to the institutional Investors or to the analysts:

No such preparation has been made during the year. However, investor presentations were made after the declaration of the half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE) and as well as uploaded on the Company's website.

Whether MD&A is part of Annual Report: Yes

9. General shareholder information:

(1) Annual General Meeting for FY 2020-21:

Date: Wednesday, 29th September, 2021

Time: 4.00 P.M. IST

Venue: Meeting is being conducted through VC/OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM.

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

AGM in: September, 2021 for Year Ending on March 31, 2021.

(3) Dividend Payment:

Not Applicable as the Board has not declared any final dividend for the FY 2020-21.

(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 SME Platform of

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 SME SYMBOL: PAR

ISIN: INE04LG01015

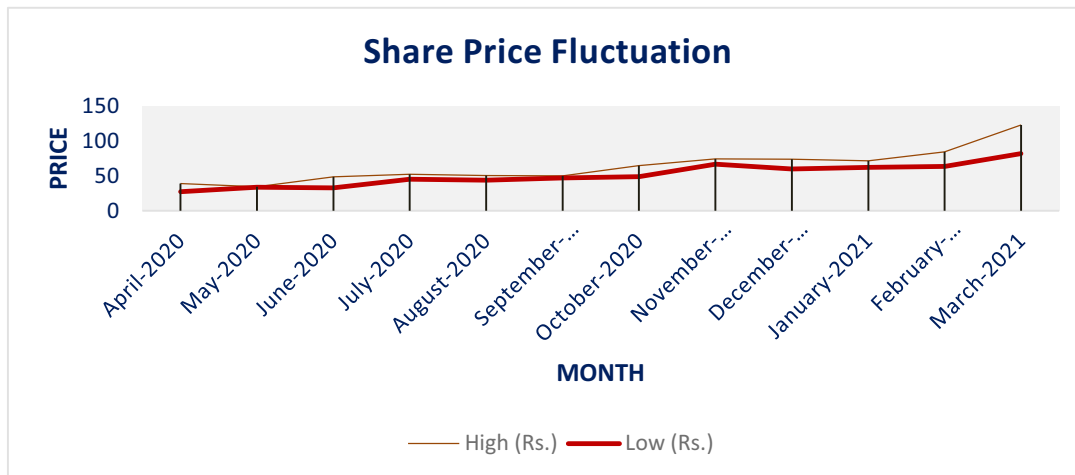
Listing Fees as applicable have been paid.

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

(8) Market Price Data:

High, Low (based on daily closing prices) and number of equity shares traded during each month in FY 2021 on NSE SME:

Month	High (Rs.)	Low (Rs.)	Volume	No of Trades
April-2020	39.2	27.5	46000	23
May-2020	34.75	34	6000	3
June-2020	49	33	96000	48
July-2020	52.75	45.5	164000	82
August-2020	50.7	44.25	76000	36
September-2020	50.5	47.15	30000	15
October-2020	64.9	49	298000	146
November-2020	74.8	67	178000	86
December-2020	74.35	60.25	160000	74
January-2021	71.95	62.4	118000	56
February-2021	84.9	64	208000	98
March-2021	123.8	82.3	182000	88



(9) 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

(10) Places for acceptance of documents:

Documents will be accepted at the above address between 10.00 a.m. and 3.30 p.m. (Monday to Friday except bank holidays).

(11) 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. Further, SEBI has fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

(12) Shareholding as on March 31, 2021:

a. Distribution of equity shareholding as on March 31, 2021:

Sr_No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1001 to 2000	200	68.2594	400000	6.5016
2	3001 to 4000	30	10.2389	120000	1.9505
3	5001 to 10000	25	8.5324	180000	2.9257
4	10001 to 9999999999	38	12.9693	5452318	88.6222
	TOTAL :	293	100.00	6152318	100

b. Categories of equity shareholding as on March 31, 2021:

Sr. No	Category	No. of Shares	% of holding
1.	Promoters	4544318	73.86
2.	Hindu Undivided Family	84000	1.37
3.	Non Resident (Non Repatriable)	6000	0.10
4.	Other Bodies Corporate	40000	0.65
5.	Public	1478000	24.02
	Total	6152318	100

c. Top ten equity shareholders of the Company as on March 31, 2021:

Sr. No.	Name of Shareholder	No. of shares held	% of Shares
1.	JIGNESH VALLABHBHAI SAVANI	1340220	21.784
2.	FALGUN VALLABHBHAI SAVANI	1322976	21.50
3.	VALLABHBHAI J SAVANI	1197236	19.4599
4.	GHANSHAYAMBHAI B SAVANI	394642	6.4145
5.	SUNITA BEN PARAGBHAI SHAH	118000	1.918
6.	SARITABEN VALLABHBHAI SAVANI	110866	1.802
7.	SAVANI NAYNA JIGNESH	90692	1.4741
8.	SHILPABEN FALGUN SAVANI	87686	1.4253
9.	PARAG JAYANTIBHAI SHAH	70000	1.1378
10.	MAHESH R KANZARIYA	50000	0.8127

(13) Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form on NSE SME platform. Equity shares of the Company representing 100.00 percent of the Company's equity share capital are dematerialized as on March 31, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE04LG01015.

(14) 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, 2021, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

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

For a detailed discussion on foreign exchange risk and no any hedging activities, please refer to Management Discussion and Analysis Report.

(16) Equity shares in the suspense account:

No equity shares are in the suspense account.

(17) 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.

(18) 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.

(19) Address for correspondence:

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

10. 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.



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, 2021, 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 complied 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, 2021

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.

V DHAMSANIA & ASSOCIATES
(Firm Regn No.: 132499W)
CHARTERED ACCOUNTANTS

Sd/-

VIPUL V DHAMSANIA (Partner)
M. NO. 140836
Bhavnagar, 24th August, 2021
UDIN - 21140836AAAAIV8273

**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, 2021, 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 2021.

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

Sd/-

(Mr. Falgun V. Savani)
Managing Director

Date: 24/08/2021

Place: Vadodara

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, 2021 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 year and 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.

For Par Drugs And Chemicals Limited

Date: 10/06/2021
Place: Bhavnagar

Sd/-

(Mr. Jignesh V. Savani)
Chief Executive Officer

For Par Drugs And Chemicals Limited

Sd/-

(Mr. Chintan P. Chauhan)
Chief Financial Officer

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.

Active Pharmaceutical Ingredient (API) is the part of any drug product. Pharmaceutical drugs might be available in type of capsules or tablets yet their genuine components are a long way from homogenous. Active Pharmaceutical Ingredient (API) is known as that part of the chemical included in the drugs which treats the cause and that actually works on the condition. Contents in drugs is not static it may contain one or more API and according to the dosage or prescription it will differ from person to person. Pharmaceutical technologists are prevalently possessed with the creation of different dose structures, for example, tablets, pastilles or dragees. The enhancing access to healthcare with the fast penetration of technology and different advancements in the healthcare segment. The 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.

OPPORTUNITIES:

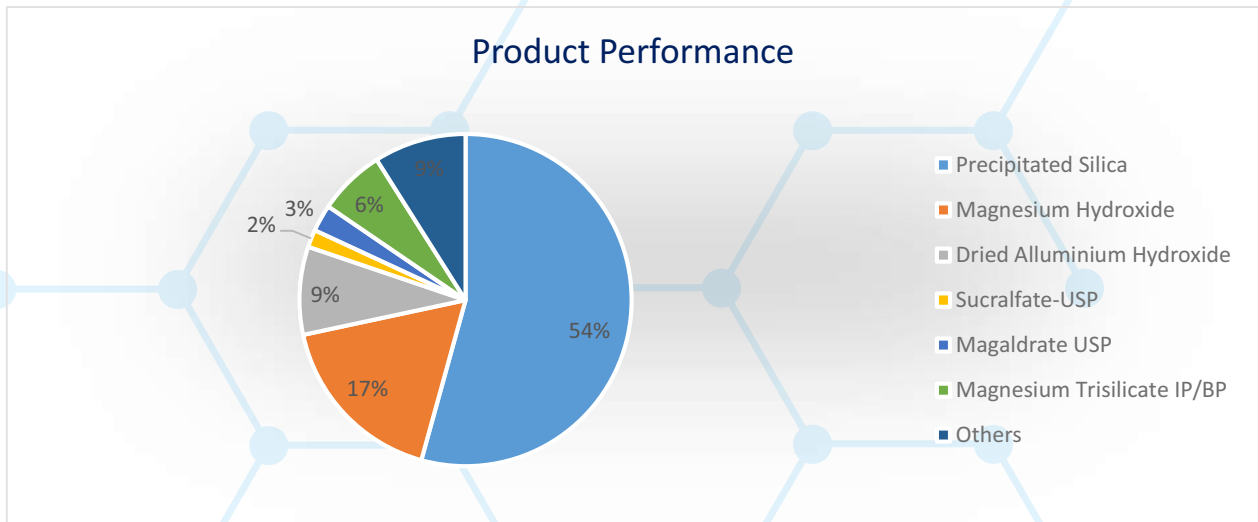
The major requirements of APIs in India are met by imports from other countries such as China, Italy, Germany, France, Malaysia, etc. This situation can be converted into an area of opportunity if the government provides adequate infrastructure facilities, subsidies and loans at low interest rates because then the captive market of APIs can be better developed to meet the requirements of the domestic manufacturers. Expanding of geographical markets and high growth of end user industries in respect of current situation of Covid-19 and regulatory easement of India can be helpful to reach next step towards 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 like current situation of Covid -19 pandemic. Whereas 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 2020-21 as under.



OUTLOOK:

The Company continues to maintain its relatively stable and progressive growth outlook. The initiative taken by your Company for reducing overheads and finance costs, build a strong relationship with all our customers, vendors and employees on the values of ethical and transparent working system, improving the new standards of production process into our existing product lines which will optimize the production time without compromising on the quality, improving operating parameters and optimizing operating costs will enable the company to face challenges in coming times.

RISKS AND CONCERNS:

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. 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.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

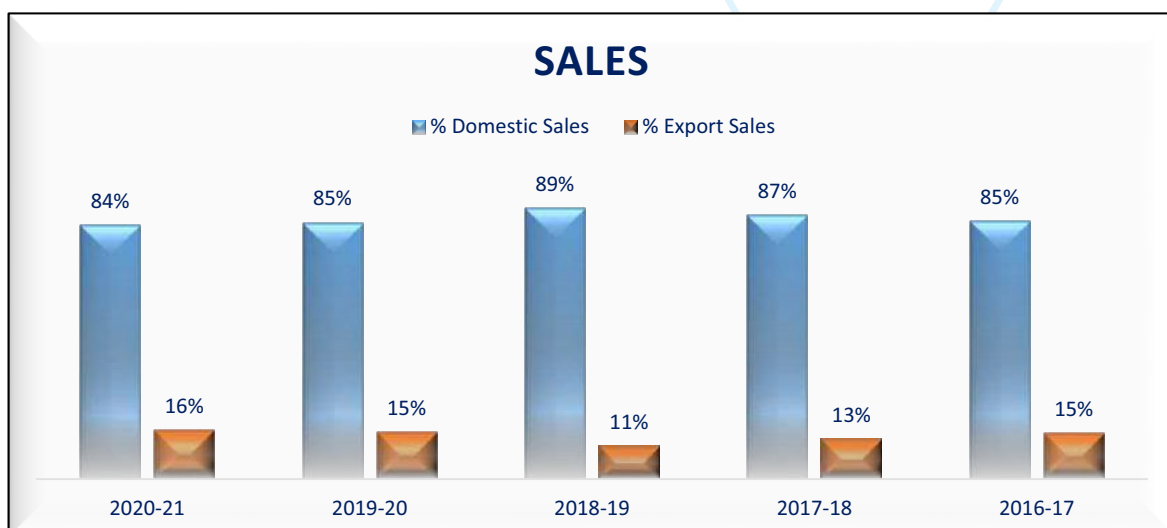
The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively, based on the internal control over financial reporting criteria established by the Company considering 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.

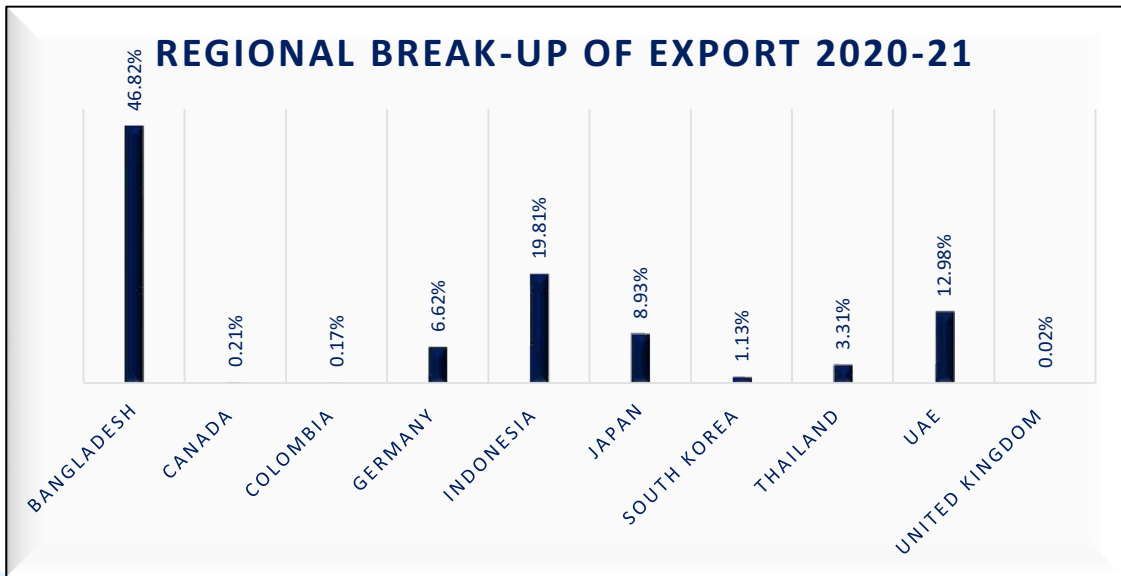
DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial highlights with respect to operational performance:

(Rs. In Lakh)

Particulars	2020-2021	2019-2020	% Change
Revenue from Operations			
Sale of Products			
Finished Goods Sold during the year:			
1) Domestic	5,017.08	4,634.37	8%
2) Export	970.56	874.46	11%
3) Other Operating Revenue	87.49	76.03	15%
4) Add: taxes	831.52	769.23	8%
Less: GST	831.52	769.23	8%
Net Sale of Product (A)	6,075.13	5,584.87	9%
Other Income(B)	18.94	9.86	92%
Total Revenue from Operations (C)=(A)+(B)	6,094.07	5,594.72	9%

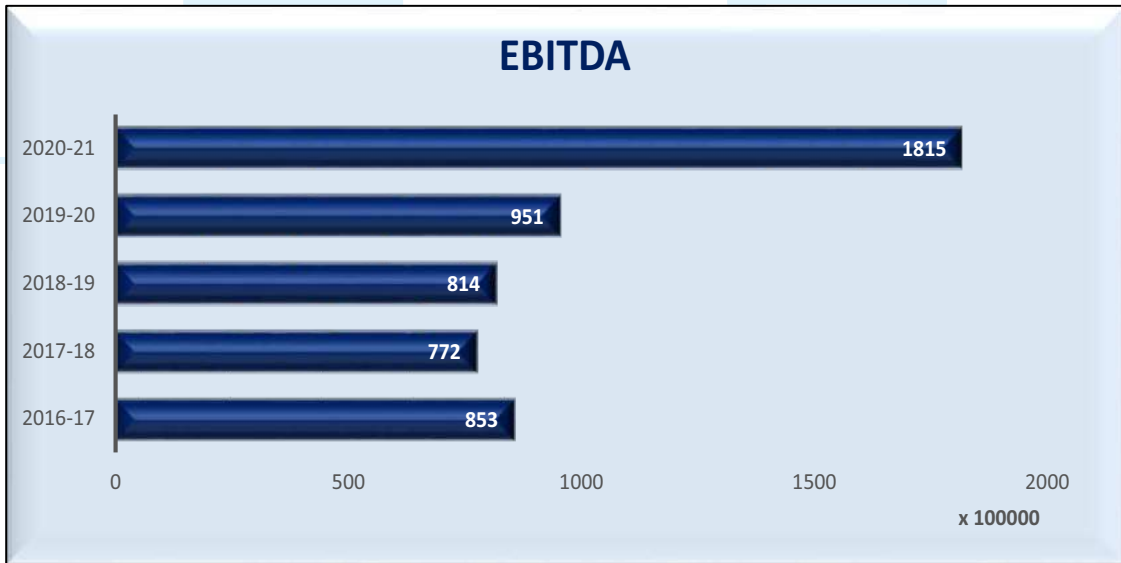




FINANCIAL PERFORMANCE OVERVIEW

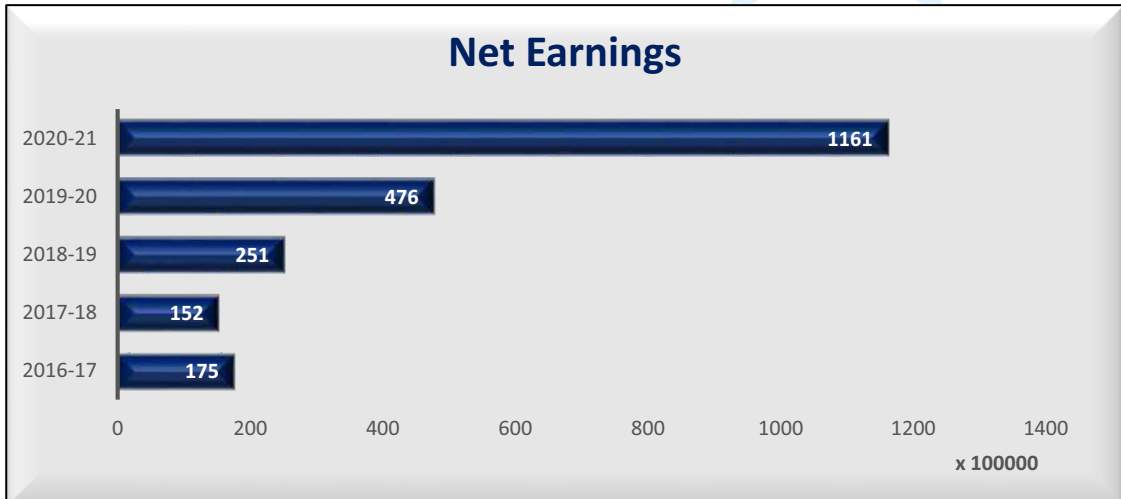
EBITDA MARGIN:

(In Lakh)



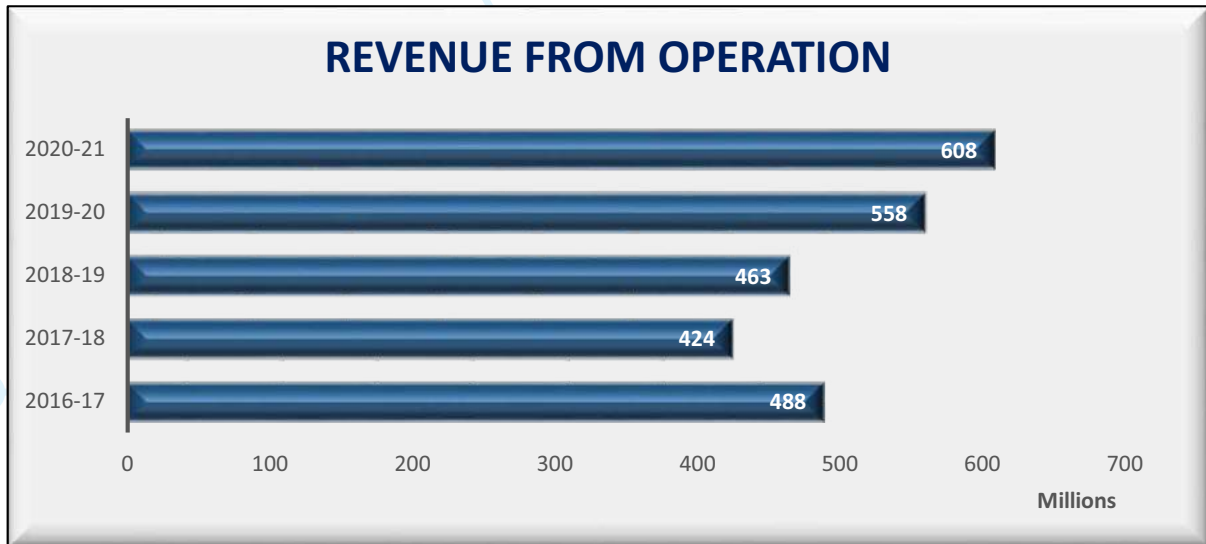
NET EARNING MARGIN:

(In Lakh)

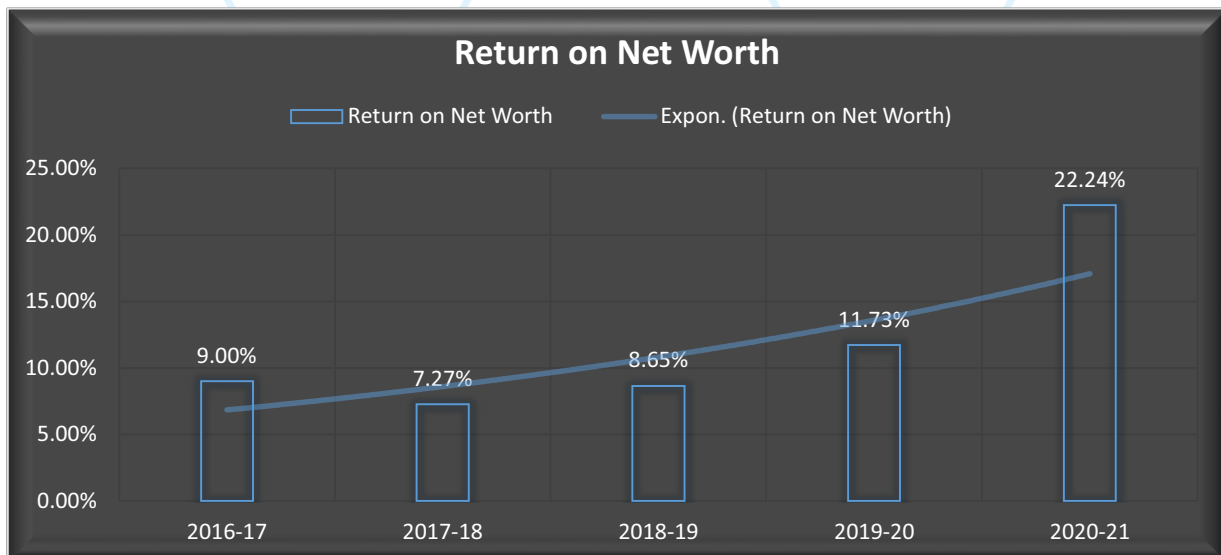


REVENUE FROM OPERATION :

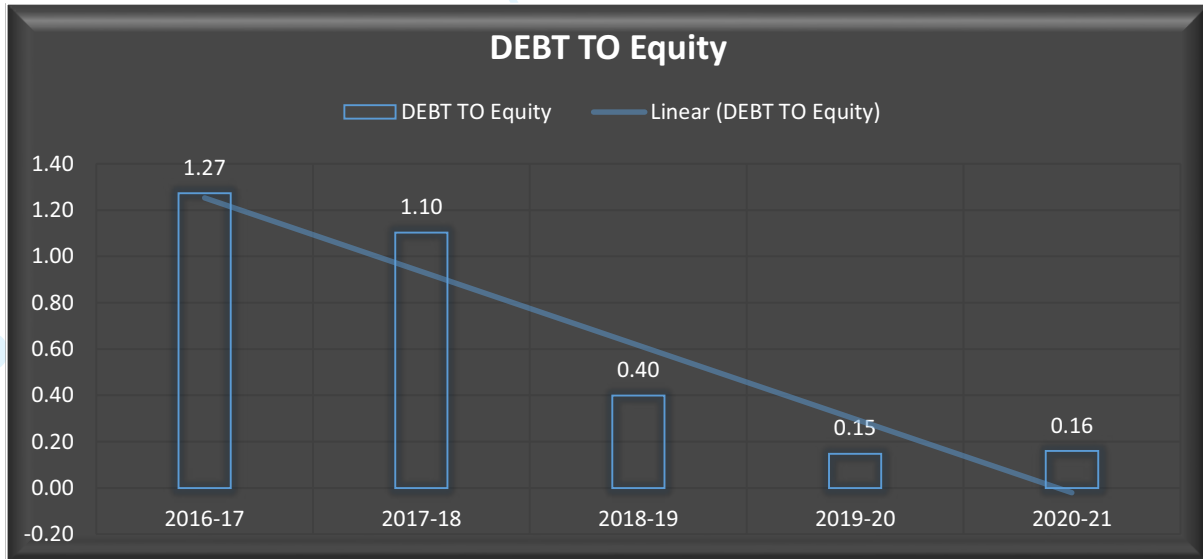
(In Millions)



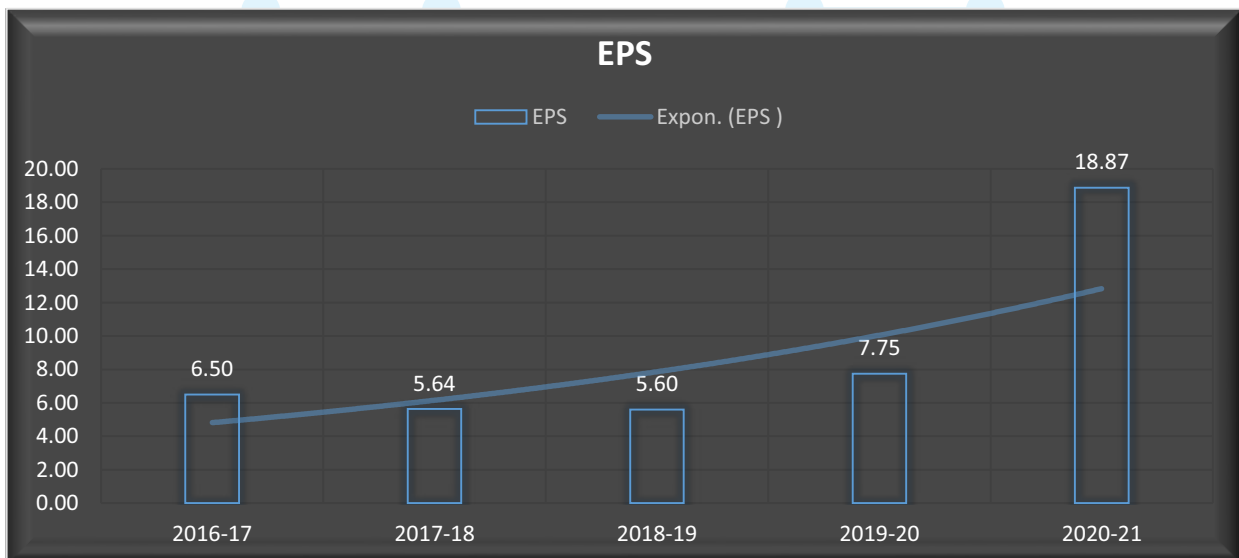
RoNW:



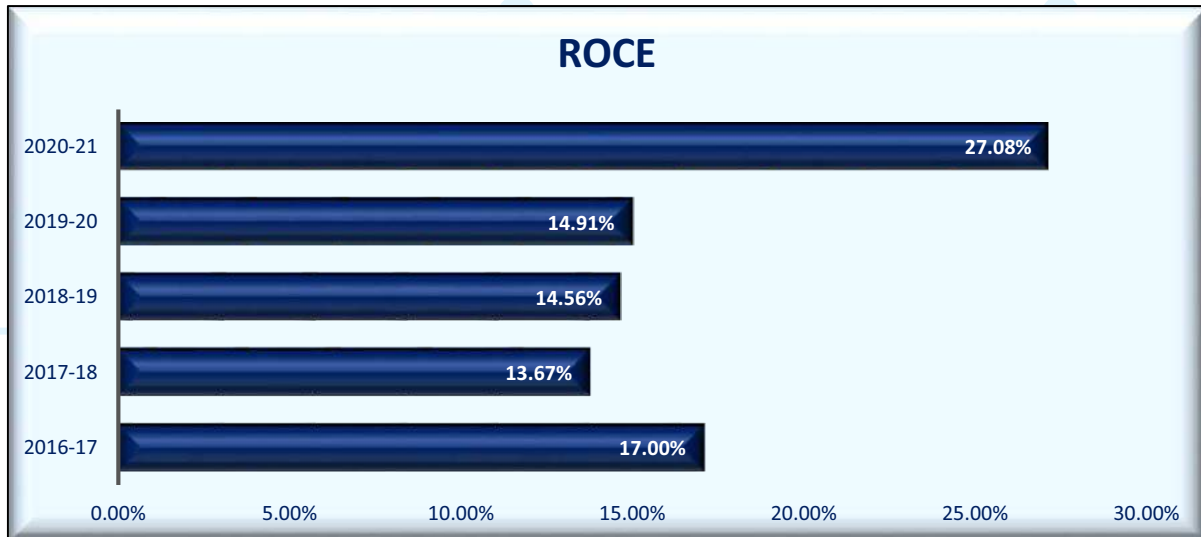
DEBT TO EQUITY RATIO:



EARNINGS PER SHARE:



ROCE*:



*Capital employed includes Net worth +long term liability

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE AND INDUSTRIAL RELATIONS

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, behaviour 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. As on March 31, 2021, the Company had total 92 employees. We are used to take review the employees day to day performance and behaviour 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:

Particulars	2020-21	2019-20	Variance (%)	Reasons if variance is more than 25%
Debtors Turnover	4.88	4.52	8%	-
Inventory Turnover	20.27	19.15	6%	-
Interest Coverage Ratio	30.12	12.61	139%	The cost of interest has been reduced by re-payment of term loan liability whereas the net profit of the Company has been increased for the year. Thus, company has gained higher interest coverage ratio by higher net profit and reduction in interest cost.
Current Ratio	2.58	2.23	16%	-
Debt Equity Ratio	15.94%	14.80%	8%	-
Operating Profit Margin (%)	35.00%	25.58%	37%	Company has gained higher operating profit margin by achieving better utilization of raw material and efficient in manufacturing of the finished goods resulting to decrease in cost of materials and manufacturing during the year.
Net Profit Margin (%)	24.24%	10.73%	126%	There are two reasons due to which company has gained higher net profit margin, first company has gained higher net operating profit margin and second, the company has sold its ankleshwar unit resulting to profit on slump sale of ankleshwar unit shown as extra ordinary item in the statement of PL which is not in the nature of recurring.
Return on Net Worth	22.24%	11.73%	90%	There are two reason due to which this ratio has increased, 1) Net profit of the company has increased and 2) company has retained its profit for its future expansion and hence net-worth of the company has also increased.

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.

API

- PDCL currently produces the entire range of Antacid Molecules available in the market.
- Antacids are medication that neutralize 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



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 standalone financial statements of PAR DRUGS AND CHEMICALS LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, statement of changes in equity and 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit/loss, 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.

We draw attention to Note No. 31.2 in the financial statements which describes the economic and social consequences the company is facing as a result of COVID-19 which is impacting supply chain, consumer demand, commodity price and availability of employee / workers. Our opinion is not modified in respect of this matter.



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, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure - A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 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.

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

Sd/-

VIPUL V DHAMSANIA (Partner)
M.No.140836
Bhavnagar, 10th June, 2021
UDIN - 21140836AAAAHG4168



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, 2021.

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 fixed assets.
(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.
2. Physical verification of inventory has been conducted at reasonable Intervals by the management and there are no material discrepancies were noticed.
3. The company has not granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
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 provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, GST, cess and any other statutory dues to the appropriate authorities.
(b) Dues of income 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. The company has not made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments).



10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
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 hasn't made any preferential allotment or private placement of its shares or fully or partly convertible debentures during the year.
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. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Sd/-

VIPUL V DHAMSANIA (Partner)
M.No.140836
Bhavnagar, 10th June, 2021
UDIN - 21140836AAAAHG4168



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 2021 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 of the risks of material misstatement of the financial statements, whether due to fraud or error.

**V DHAMSANIA & ASSOCIATES
(Firm Regn No. – 132499W)
CHARTERED ACCOUNTANTS**

Sd/-

**VIPUL V DHAMSANIA (Partner)
M.No.140836
Bhavnagar, 10th June, 2021
UDIN - 21140836AAAAHG4168**

BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars		Notes #	AS AT 31.03.2021	AS AT 31.03.2020
			Amount Rs	Amount Rs
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
	(a) Share capital	2	6,15,23,180	6,15,23,180
	(b) Reserves and surplus	3	46,06,22,206	34,46,22,127
	(c) Money received against share warrants		0	0
	Sub-total (1)		52,21,45,386	40,61,45,307
2 Share application money pending allotment				
			0	0
3 Non-current liabilities				
	(a) Long-term borrowings	4	4,39,17,700	4,61,91,151
	(b) Deferred tax liabilities (Net)	5	3,40,51,052	3,65,11,986
	(c) Other Long term liabilities		0	0
	(d) Long-term provisions	6	3,934,602	3,862,111
	Sub-total (3)		8,19,03,354	8,65,65,248
4 Current liabilities				
	(a) Short-term borrowings	7	3,24,79,119	0
	(b) Trade payables	8		
	Due to Micro, Small & Medium Enterprise		7,26,119	7,01,015
	Due to Others		6,64,51,771	6,13,44,210
	(c) Other current liabilities	9	2,46,49,568	2,69,11,005
	(d) Short-term provisions	10	3,54,85,204	1,94,85,304
	Sub-total (4)		15,97,91,781	10,84,41,533
TOTAL			76,38,40,521	60,11,52,088
II. ASSETS				
Non-current assets				
1 (a) Property, Plant and Equipment				
	(i) Tangible assets	11	29,90,80,771	34,39,61,817
	(ii) Intangible assets		0	0
	(iii) Capital work-in-progress	12	45,222,508	7,390,446
	(iv) Intangible assets under development		0	0
			34,43,03,279	35,13,52,263
	(b) Non-current investments	13	1,00,000	5,64,850
	(c) Deferred tax assets (net)		0	0
	(d) Long-term loans and advances	14	75,82,255	70,50,112
	(e) Other non-current assets		0	0
	Sub-total (1)		35,19,85,534	35,89,67,225
2 Current assets				
	(a) Current investments		0	0
	(b) Inventories	15	2,99,67,151	2,91,68,011
	(c) Trade receivables	16	12,45,14,136	12,36,83,527
	(d) Cash and cash equivalents	17	21,16,38,301	7,37,91,611
	(e) Short-term loans and advances	18	92,40,808	62,27,227
	(f) Other current assets	19	3,64,94,591	93,14,487
	Sub-total (2)		41,18,54,987	24,21,84,863
TOTAL			76,38,40,521	60,11,52,088
Significant Accounting Policies		1		
Notes forming part of the financial statements		2-32		

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

Bhavnagar, 10th June, 2021

UDIN - 21140836AAAAHG4168

For and on behalf of Board of Directors

Sd/-

Falgun V Savani (Managing Director)
(DIN - 00198236)

Sd/-

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

Sd/-

Chintan P Chauhan (CFO)

Sd/-

Sanket B Trivedi (Company Secretary)
(M.No.- 51758)

Bhavnagar, 10th June, 2021

**STATEMENT OF PROFIT & LOSS FOR THE YEAR YEAR ENDED
31ST MARCH, 2021**

Particulars	Notes #	2020-2021	2019-2020
		Amount Rs	Amount Rs
I. Revenue from operations	20	60,75,13,047	55,84,86,873
II. Other income	21	18,93,568	9,85,557
III. Total Revenue (I + II)		60,94,06,615	55,94,72,431
IV. Expenses:			
Cost of materials consumed	22	22,09,24,301	22,19,11,969
Purchases of Stock-in-Trade		0	0
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	23	-2,138,517	14,645,321
Employee benefits expense	24	3,97,84,386	4,11,34,340
Finance costs	25	64,23,317	79,38,753
Depreciation and amortization expense	26	2,81,93,951	2,76,15,126
Other expenses	27	18,88,15,018	18,63,08,312
Total expenses (IV)		48,20,02,456	49,95,53,820
V. Profit before exceptional and extraordinary items and tax (III-IV)		12,74,04,159	5,99,18,611
VI. Exceptional items		0	0
VII. Profit before extraordinary items and tax (V - VI)		12,74,04,159	5,99,18,611
VIII. Extraordinary Items	28	-1,98,57,025	0
IX. Profit before tax (VII- VIII)		14,72,61,183	5,99,18,611
X Tax expense:			
(1) Current tax		3,36,10,000	1,00,00,000
(2) Deferred tax		-2,460,934	22,68,830
XI Profit (Loss) for the period from continuing operations (VII - VIII)		11,61,12,117	4,76,49,781
XII Profit/(loss) from discontinuing operations		0	0
XIII Tax expense of discontinuing operations		0	0
XIV Profit/(loss) from Discontinuing operations (after tax) (XII - XIII)		0	0
XV Profit (Loss) for the period (XI + XIV)		11,61,12,117	4,76,49,781
XVI Earnings per equity share:	29		
(1) Basic.		18.87	7.75
(2) Diluted.		18.87	7.75
Significant Accounting Policies	1		
Notes forming part of the financial statements	2-32		

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

Bhavnagar, 10th June, 2021

UDIN - 21140836AAAAHG4168

For and on behalf of Board of Directors

Sd/-

Falgun V Savani (Managing Director)

(DIN - 00198236)

Sd/-

Jigneshbhai V Savani (Director & CEO)

(DIN - 00198203)

Sd/-

Chintan P Chauhan (CFO)

Sd/-

Sanket B Trivedi (Company Secretary)

(M.No.- 51758)

Bhavnagar, 10th June, 2021

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH, 2021**

PARTICULARS	Amt in Rs.			
	2020-2021	2020-2021	2019-2020	2019-2020
	Amount Rs	Amount Rs	Amount Rs	Amount Rs
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Net profit before tax and extraordinary items		14,72,61,183		5,99,18,611
Adjusted for:				
Depreciation	2,81,93,951		2,76,15,126	
Income-tax/Prior Year Adjustment	-112,038		-1,04,362	
Interest Expense	60,26,245		75,40,776	
Rent, Interest & Dividend Income	-13,27,045		-7,64,782	
Profit on Slump Sale of Ankleshwar Unit	-1,98,57,025		0	
Profit/Loss on sale of assets	-3,121		-2,20,775	
		1,29,20,967		3,40,65,983
Operating Profit / (loss) before working capital changes		16,01,82,150		9,39,84,593
Adjustments for changes in working capital				
Adjustments for (increase)/decrease in operating assets				
Long Term Loans & Advances	-5,32,143		-1,92,481	
Inventories	-799,140		1,37,72,938	
Trade Receivables.	-8,30,609		-3,84,86,482	
Short Term Loans & Advances	-30,13,581		-1,22,645	
Other Current Assets	-12,35,558		-275,933	
Adjustments for increase/(decrease) in operating liabilities				
Long-term provisions	72,491		592,704	
Short-term provisions	80,298		-1,56,879	
Other Current Liabilities	-22,61,437		3,595,657	
Trade Payables	51,32,665		1,27,27,148	
		-3,387,013		-8,545,973
Cash Generated from / (used in) Operating activities		15,67,95,137		8,54,38,620
Less: Income-Tax paid		-3,59,44,547		-85,26,734
Net Cash generated from / (used in) Operating Activities:		12,08,50,590		7,69,11,886
B: CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	-5,04,91,130		-1,55,86,560	
Sales of Fixed Assets	4,92,06,310		250,000	
Purchase / Sale of Investment	464,850		0	
Rent, Interest & Dividend Income	13,27,045		7,64,782	
		507,074		-1,45,71,778
Net Cash generated from / (used in) Investing Activities:		507,074		-1,45,71,778
C: CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from Issue of Shares	0		85,272,000	
Proceeds from Long Term Borrowings	0		0	
Repayment of Long Term Borrowings	-22,73,451		-1,41,22,985	
Repayment of Short Term Borrowings	32,479,119		-43,191,443	
Dividend Paid	-76,90,398		-76,90,398	
Dividend Tax paid	0		-15,80,783	
Interest paid	-60,26,245		-75,40,776	
		16,489,026		11,145,616
Net Cash generated from / (used in) Financing Activities:		16,489,026		11,145,616
Net Increase/(Decrease) in Cash and Cash Equivalents		137,846,690		73,485,724

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH, 2021**

PARTICULARS	Amt in Rs.			
	2020-2021	2020-2021	2019-2020	2019-2020
Opening Balance of Cash and Cash Equivalents		7,37,91,611		3,05,887
Closing Balance of Cash and Cash Equivalents		21,16,38,301		7,37,91,611
Total:		137,846,690		73,485,724

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 2-32

As per our report of even dated.

For and on behalf of Board of Directors

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

Sd/-
Vipul V. Dhamsania (Partner)
M.No.140836

Bhavnagar, 10th June, 2021

UDIN - 21140836AAAAHG4168

Sd/-

Falgun V Savani (Managing Director)
(DIN - 00198236)

Sd/-

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

Sd/-

Chintan P Chauhan (CFO)

Sd/-

Sanket B Trivedi (Company Secretary)
(M.No.- 51758)
Bhavnagar, 10th June, 2021

Notes to Financial Statement for the year ended on 31st March, 2021

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 Indian Generally Accepted Accounting Principles (GAAP) 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) Fixed Assets & Depreciation:

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.

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) Current Assets, Loans And Advances

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 YEAR ENDED 31ST MARCH, 2021

NOTES No.2. SHARE CAPITAL :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Authorised Shares:authorized;		
87,50,000 (Prev.Yr.87,50,000) Equity Shares of Rs.10/- each.	8,75,00,000	8,75,00,000
	<u>8,75,00,000</u>	<u>8,75,00,000</u>

2 Issued, subscribed and fully paid Shares		
61,52,318 (Prev.Yr 61,52,318) Equity Shares of Rs.10/- each Fully paid up	6,15,23,180	6,15,23,180
	<u>6,15,23,180</u>	<u>6,15,23,180</u>

3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

	AS AT 31.03.2021 No. of Shares	AS AT 31.03.2020 No. of Shares
Equity Shares		
At the beginning of the period	61,52,318	44,80,318
Issued during the period	0	1,672,000
Outstanding at the end of the period	<u>61,52,318</u>	<u>61,52,318</u>

	No. of Shares	No. of Shares
Preference Shares		
At the beginning of the period	0	57,50,000
Issued during the period	0	0
Redeemed / conversion during the period	0	-57,50,000
Outstanding at the end of the period	<u>0</u>	<u>0</u>

4 Terms & Right attached to Equity Shares & Preference share s

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 Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

	AS AT 31.03.2021 No. & (%)of Shares Held	AS AT 31.03.2020 No. & (%)of Shares Held
a) Equity Shares, fully paid up:		
Vallabhbhai Jivabhai Savani	1197236 (19.46%)	1191236 (19.36%)
Falgun Vallabhbhai Savani	1322976 (21.5%)	1306976 (21.24%)
Jignesh Vallabhbhai Savani	1340220(21.78%)	1330220 (21.62%)
Ghanshyambhai B Savani	394642 (6.41%)	380642 (6.19%)

NOTES No.3. RESERVES AND SURPLUS :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
a) Reserves and Surplus:		
1 Capital Reserve:		
Opening Balance as per last financial statement	6,86,466	6,86,466
Add: During the year	0	0
Closing Balance	<u>6,86,466</u>	<u>6,86,466</u>
2 Securities Premium		
Opening Balance as per last financial statement	16,82,48,800	9,96,96,800
Add: During the year	0	6,85,52,000
Closing Balance	<u>16,82,48,800</u>	<u>16,82,48,800</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

3 General Reserve:		
Opening Balance as per last financial statement	3,50,000	3,50,000
Add: During the year	0	0
Closing Balance	3,50,000	3,50,000
b) Surplus/(Deficit) in the statement of Profit & Loss		
Opening Balance as per last financial statement	17,53,36,861	14,47,53,020
Add: Profit/(Loss) for the year	11,61,12,117	4,76,49,781
LESS:		
Income-tax Adj. of earlier year	112,038	1,04,362
Interim Dividend to Equity Shareholders	0	76,90,398
Interim Tax on Dividend.	0	15,80,783
Proposed Dividend to Equity Shareholders	0	76,90,398
Closing Balance	29,13,36,940	17,53,36,861
TOTAL: RESERVES AND SURPLU S	46,06,22,206	34,46,22,127

NOTES No.4. LONG-TERM BORROWINGS :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Secured		
From Bank / Financial Institutions		
Car Loan From HDFC Bank	2,10,701	14,08,797
Term Loan From Kotak Mahindara Bank	1,24,78,514	1,85,99,105
Less: Current maturities of long-term debt	-68,14,734	-13,925,369
	58,74,481	60,82,533
2 Unsecured		
From Directors & Shareholders	3,80,43,219	4,01,08,618
TOTAL: LONG-TERM BORROWINGS	4,39,17,700	4,61,91,151

- 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 Kodiak car purchased through loan, having registration no. GJ 06 LK 9191.
- 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.
- Term Loan is sanctioned with working capital limit of Rs.700 lakhs. All the loans are secured by the following securities
 - Primary Securities :
The hypothecation of all existing and future receivables/Current Assests/Movable Assest/Moveable Fixed Assests.
 - Collateral Securities :
 - Plot no.13, Spring View Residency, Nr.Vedant Bunglows-1, Bh. Bright CBSE School, Vasna Bhayli Road, Bhayli, Vododara-390007.
 - Plot No.42/B-4 & 42/B-3, Takhteshwar Plot,behind Madhav Hill,NR Waghwadi,Bhavnagar-364001.
 - Plot no.5901/1, Ankleshwar Industrial Estate, R.5 No.174 Paiki, Village:Sarangpur, Takula : Ankleshwar, Dist. Bharuch-393002.
 - Plot No.333/1, 333/2, 334 to 338, Chitra G.I.D.C, Rajkot Road, Bhavnagar-364004.
 - Gaurantees :
Personal gaurantee of Vallabhbbhai J Savani, Jignesh V Savani, Falgun V Savani, Ghanshyam B Savani and Shishir M Trivedi.
 - Take-over Condition :
Kotak Mahindra Bank Ltd has sanctioned all the credit facility as take over of facility wise outstanding including accrued intereset, foreclosure charges if any, from Union Bank of India.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

- 4 Unsecured loan was taken from Mr Vallabhbhai J Savani (shareholder) for business purpose. Rate of interest is 12% yearly. Tenure of the repayment is not fixed.

NOTES No.5. DEFERRED TAX LIABILITIES (NET) :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
Deferred Tax Liabilities		
1 Fixed Assets: Impact of difference between Book and Tax Depreciation	3,54,58,448	3,77,71,012
Gross Deferred Tax Liabilities	3,54,58,448	3,77,71,012
Deferred Tax Assets		
1 Provision for Gratuity.	14,07,396	12,59,026
Gross Deferred Tax Assets	1,407,396	1,259,026
TOTAL: DEFERRED TAX LIABILITIES (NET)	3,40,51,052	3,65,11,986

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.6. LONG-TERM PROVISIONS :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Provision for employee benefits Provision for Gratuity	3,934,602	38,62,111
TOTAL: LONG-TERM PROVISIONS	3,934,602	3,862,111

NOTES No.7. SHORT-TERM BORROWINGS :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Loans repayable on demand: From Bank (Secured)		
From Kotak Mahindra Bank Ltd	3,24,79,119	0
TOTAL: SHORT-TERM BORROWINGS	3,24,79,119	0

- 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 TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.8. TRADE PAYABLES :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
Trade Payable for Goods & Services includes		
1 Due to Micro, Small & Medium Enterprise*	7,26,119	7,01,015
2 Due to Others	6,64,51,771	6,13,44,210
TOTAL: TRADE PAYABLES	6,71,77,890	6,20,45,225

- * As per the information & records furnished by the suppliers who are having registration under under The Micro small and Medium Enterprise Development Act 2006.

The principal amount and the interest due thereon, the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, the amount of interest due & payable for the period of delay in making payment and the amount of interest accrued as well as remaining unpaid at the end of the year under report is NIL.

NOTES No.9. OTHER CURRENT LIABILITIES :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Current maturities of long-term debt	68,14,734	1,39,25,369
2 Income received in advance/Advance from Customers	0	1,79,013
3 Unpaid dividends	5,001	0
4 Other Payables:		
Statutory liabilities	67,92,167	24,89,103
Advances for Slump Sale of Unit	0	0
Provision for Expense	59,972	3,13,502
Provision for CSR Activity Expense	0	12,22,830
Remuneration Payable to Director	97,88,254	76,93,299
Salary & Wages Payable	11,89,440	10,87,889
	<u>1,78,29,833</u>	<u>1,28,06,623</u>
TOTAL: OTHER CURRENT LIABILITIES	2,46,49,568	2,69,11,005

NOTES No.10. SHORT-TERM PROVISIONS :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Provision for employee benefits		
Provision for Gratuity	1,875,204	17,94,906
	<u>18,75,204</u>	<u>17,94,906</u>
2 Others:		
Provision for Taxation.	3,36,10,000	1,00,00,000
Proposed Dividend to Equity Shareholders.	0	76,90,398
	<u>3,36,10,000</u>	<u>1,76,90,398</u>
TOTAL: SHORT-TERM PROVISIONS	3,54,85,204	1,94,85,304

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021
NOTES No.11. (I) TANGIBLE ASSETS :

Description	G R O S S				D E P R E C I A T I O N / A M O R T I Z A T I O N				N E T C A R R Y I N G B A L A N C E	
	As at 01-04-2020	Addition.	Disposed	AS AT 31.03.2021	As at 01-04-2020	For the Year	Disposed	AS AT 31.03.2021	AS AT 31.03.2021	AS AT 31.03.2020
Bhavnagar Unit:										
1 Land.	33,21,134	0	0	33,21,134	0	0	0	0	3,321,134	33,21,134
2 Factory Building.	13,04,19,137	0	0	13,04,19,137	3,19,24,156	4,024,505	0	3,59,48,661	94,470,476	9,84,94,981
3 Office Building.	8,46,000	6,806,149	0	76,52,149	2,80,404	162,296	0	4,42,700	7,209,449	5,65,596
4 Residential Flat	8,15,000	0	0	8,15,000	2,16,459	4,689	0	2,21,148	593,852	5,98,541
5 Plant & Machinery.	32,86,85,884	115,226	0	32,88,01,110	13,51,62,885	17,719,510	0	15,28,82,395	175,918,715	19,35,22,999
6 Furniture & Fixtures.	33,81,257	0	0	33,81,257	24,07,344	265,870	0	26,73,214	708,043	9,73,913
7 Vehicle (Pickup Van)	75,000	280,000	0	3,55,000	73,348	66,413	0	1,39,761	215,239	1,652
8 Vehicle (Car)	1,85,69,537	3,985,556	0	2,25,55,093	1,26,91,261	2,736,537	0	1,54,27,798	7,127,295	58,78,276
9 Vehicle (Scooter)	8,23,246	80,592	116,780	7,87,058	8,00,279	11,828	114,901	6,97,206	89,852	22,967
10 Office Equipment.	15,16,601	0	0	15,16,601	12,56,106	145,795	0	14,01,901	114,700	2,60,495
11 Electric Installation.	69,30,617	93,578	0	70,24,195	30,00,609	359,739	0	33,60,348	3,663,847	39,30,008
12 Laboratory Equipments.	34,84,633	107,000	0	35,91,633	15,91,543	171,678	0	17,63,221	1,828,412	18,93,090
13 Air Conditioner.	11,46,519	109,726	0	12,56,245	10,23,024	94,562	0	11,17,586	138,659	1,23,495
14 Computer.	18,15,761	550,241	0	23,66,002	16,31,598	226,269	0	18,57,867	508,134	1,84,162
15 Water Storage Tank.	31,22,500	531,000	0	36,53,500	20,02,979	311,131	0	23,14,110	1,339,390	11,19,521
16 Weighing Scale	79,525	0	0	79,525	78,185	0	0	78,185	1,340	1,340
17 Solar Power Plant	7,565,419	0	0	75,65,419	4,341,825	1,437,430	0	57,79,255	1,786,164	3,223,594
18 Mobile.	275,440	0	0	2,75,440	175,384	53,986	0	2,29,370	46,070	100,056
Sub-total	51,28,73,209	1,26,59,068	1,16,780	52,54,15,497	19,86,57,389	2,77,92,238	1,14,901	22,63,34,726	29,90,80,771	31,42,15,820
Ankleshwar Unit:										
1 GIDC Land	20,76,253	0	2,076,253	0	0	0	0	0	0	20,76,253
2 Factory Building.	1,42,60,313	0	14,260,313	0	52,07,835	64,614	5,272,449	0	0	90,52,478
2 Storage Tank.	6,99,666	0	699,666	0	4,88,928	11,257	500,185	0	0	2,10,738
3 Plant & Machinery.	3,77,42,207	0	37,742,207	0	2,13,37,474	291,596	21,629,070	0	0	1,64,04,734
4 Electric Installation.	44,54,479	0	4,454,479	0	26,13,427	32,724	2,646,151	0	0	18,41,052
5 Furniture & Fixtures.	5,88,883	0	588,883	0	5,73,974	0	573,974	0	0	14,909
4 Office Equipment.	33,755	0	33,755	0	32,963	0	32,963	0	0	792
5 Computer.	1,04,296	0	104,296	0	1,04,159	0	104,159	0	0	137
6 Laboratory Equipments.	1,45,435	0	145,435	0	71,550	643	72,193	0	0	73,885
7 Air Conditioner.	1,82,896	0	182,896	0	1,12,205	879	113,084	0	0	70,691
8 Weighing Scale	11,000	0	11,000	0	10,670	0	10,670	0	0	330
Sub-total	6,02,99,184	0	6,02,99,184	0	3,05,53,185	4,01,713	3,09,54,898	0	0	2,97,45,998
Transfer to Bhavnagar Unit (Included in above)										
1 Residential Flat	815,000	0	815,000	0	216,460	0	216,460	0	0	598,540
2 Mobile.	20,000	0	20,000	0	19,649	0	19,649	0	0	351
3 Motor Cycle.	139,173	0	139,173	0	134,968	0	134,968	0	0	4,205
Sub-total	9,74,173	0	9,74,173	0	3,71,077	0	3,71,077	0	0	6,03,096
TOTAL	57,31,72,393	1,26,59,068	6,04,15,964	52,54,15,497	22,92,10,575	2,81,93,951	3,10,69,799	22,63,34,726	29,90,80,771	34,39,61,818
Previous Year Total	56,70,73,395	81,96,114	2,097,117	57,31,72,393	20,36,63,342	2,76,15,126	2,067,892	22,92,10,576	343,961,817	36,34,10,054

NOTES No.12. (III) CAPITAL WORK-IN-PROGRESS :

Description	G R O S S				D E P R E C I A T I O N / A M O R T I Z A T I O N				N E T C A R R Y I N G B A L A N C E	
	As at 01-04-2020	Addition.	Disposed	AS AT 31.03.2021	As at 01-04-2020	For the Year	Disposed	AS AT 31.03.2021	AS AT 31.03.2021	AS AT 31.03.2020
1 Office Building-WIP	6,360,446	0	6,360,446	0	0	0	0	0	0	6,360,446
2 Factory Building-WIP	0	1,05,66,313	0	1,05,66,313	0	0	0	0	10,566,313	0
3 Plant & Machinery -WIP	1,030,000	3,08,89,248	0	3,19,19,248	0	0	0	0	31,919,248	1,030,000
4 Furniture & Fixtures -WIP	0	27,36,947	0	27,36,947	0	0	0	0	2,736,947	0
TOTAL	7,390,446	44,192,508	6,360,446	45,222,508	0	0	0	0	45,222,508	7,390,446
Previous Year Total	0	73,90,446	0	73,90,446	0	0	0	0	7,390,446	0

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.13. NON-CURRENT INVESTMENTS :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Investments in Equity Instruments (Unquoted);		
a) 56485 (Prev. Yr. 56485) Equity Shares of Rs.10/- each fully paid up in BEAL (valued at cost)	0	5,64,850
	0	5,64,850
2 Investments in Mutual Fund (Quoted);		
a) ABCL Low Duration Fund	1,00,000	0
TOTAL: NON-CURRENT INVESTMENTS	1,00,000	5,64,850

NOTES No.14. LONG-TERM LOANS AND ADVANCES :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Security Deposits;		
a Unsecured, considered good;	53,64,114	48,31,971
	53,64,114	48,31,971
2 Other loans and advances: Unsecured, considered good;		
a Income Tax Refund Receivable	1,501,000	15,01,000
b Mat Tax Credit	717,141	7,17,141
	2,218,141	2,218,141
TOTAL: LONG-TERM LOANS AND ADVANCES	75,82,255	70,50,112

NOTES No.15. INVENTORIES :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
- Raw Materials.	41,33,666	58,96,211
- Finished goods.	1,74,48,266	1,99,03,588
- Semi-finished goods.	52,74,680	6,80,841
- Packing Material.	23,44,533	18,92,557
- Fuel, Fire wood & lignite	7,66,005	7,94,814
TOTAL: INVENTORIES	2,99,67,151	2,91,68,011

- 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. Cost includes purchase value, freight, proportionate manufacturing expense, wages & salary to employees and duties & taxes.

NOTES No.16. TRADE RECEIVABLES :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
1 Trade Receivables		
Unsecured, considered good unless stated otherwise		
O/s for period exceeding 6 months from the date of due:	2,25,934	6,415
Other Receivables:	12,42,88,202	12,36,77,112
TOTAL: TRADE RECEIVABLES	12,45,14,136	12,36,83,527

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.17. CASH AND CASH EQUIVALENTS :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
Cash and cash equivalents:		
a Balances with banks; In current accounts	18,14,90,585	5,33,90,480
b Cash on hand	1,47,716	2,32,764
	<u>18,16,38,301</u>	<u>5,36,23,244</u>
c Deposits with Banks maturity more than 3 months but less than 12 months	30,000,000	2,01,68,367
TOTAL: CASH AND CASH EQUIVALENTS	<u>211,638,301</u>	<u>737,91,611</u>

NOTES No.18. SHORT-TERM LOANS AND ADVANCES :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
Other loans and advances:		
Unsecured, considered good unless stated otherwise:		
a Loans to Employee	3,07,511	4,88,948
b Advance to suppliers of goods & services.	89,33,297	57,38,280
	<u>92,40,808</u>	<u>62,27,227</u>
TOTAL: SHORT-TERM LOANS AND ADVANCES	<u>92,40,808</u>	<u>62,27,227</u>

NOTES No.19. OTHER CURRENT ASSETS :

	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
Other Assets:		
Unsecured, considered good unless stated otherwise:		
a Advance payment of Income tax	3,45,73,985	86,29,438
b Pre-paid Expense	5,49,349	4,78,217
c Balances with Govt. Authorities	0	40,620
d Other (Interest Receivable)	1,45,257	1,66,212
e Other (MEIS Receivable)	1,226,000	0
	<u>3,64,94,591</u>	<u>93,14,487</u>
TOTAL: OTHER CURRENT ASSETS	<u>3,64,94,591</u>	<u>93,14,487</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.20. REVENUE FROM OPERATIONS :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Sales of Products		
Finished Goods Sold during the year:	59,87,64,005	55,08,83,591
GST Recovered.	8,31,51,754	7,69,23,211
	68,19,15,759	62,78,06,802
Other Operating Revenue		
Job & Other Work Income.(Bhavnagar)	33,05,329	29,32,600
Job Work Income.(Ankleshwar)	12,65,500	8,33,000
Discount, Kasar & Rebate (Ankleshwar)	36,134	82,785
Duty Drawback & Export License Sale Income	35,00,695	11,32,113
Exchange Rate Difference	3,13,455	23,60,822
Misc. Income	3,27,929	2,61,963
	87,49,042	76,03,283
Revenue From operations (Gross)	69,06,64,801	63,54,10,084
Less : GST	8,31,51,754	7,69,23,211
TOTAL: REVENUE FROM OPERATIONS	60,75,13,047	55,84,86,873
FOB Value of Exports	97,055,606	8,74,46,412
Details of Sales of Products:		
Magnesium Hydroxide	13,49,83,107	11,02,73,526
Alluminium Hydroxide	8,06,89,284	8,54,33,521
Sucralfate	6,82,16,114	8,30,45,591
Precipitated Silica	21,26,89,045	17,82,29,414
Magnesium Trisilicate	2,94,38,240	2,27,43,620
Magaldrate	2,24,75,414	2,35,98,006
Magnesium Oxide	2,25,40,275	2,03,65,322
Allusil (Sodium All. Silicate)	55,66,512	1,37,34,575
Magnesium Alluminium Silicate	1,30,77,005	96,73,566
Magnesium Carbonate	84,59,000	34,62,100
Almagate	39,225	2,150
Others	5,90,784	3,22,200
Total	598,764,005	550,883,591

NOTES No.21. OTHER INCOME :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Interest Income	13,20,445	6,04,832
<u>Other non-operating income:</u>		
Insurnace & Other Claim Income	6,600	1,59,950
Donation W/Back Income	1,00,000	0
CSR Activity Fund W/Back	4,08,023	0
Bad Debt W/Back Income	55,378	0
Profit on Sale of Assets	3,121	2,20,775
	5,73,123	3,80,725
TOTAL: OTHER INCOME	18,93,568	9,85,557

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.22. COST OF MATERIALS CONSUMED :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Raw Materials Consumed		
Inventory at the beginning of the year	58,96,211	33,73,525
Add: Purchases	21,91,61,757	22,44,34,655
	<u>22,50,57,968</u>	<u>22,78,08,180</u>
Less: Inventory at the end of the year	-41,33,666	-5,896,211
TOTAL:	<u>22,09,24,301</u>	<u>22,19,11,969</u>
Details of Raw Materials Consumed:		
Sodium Silicate	97,370,955	9,30,86,469
Caustic Soda Lye	41,891,098	5,19,19,059
Soda Ash	14,035,072	1,45,25,279
Allum.Hydro Cake/gel	25,244,955	2,98,21,899
Magnesium Oxide (Light)	20,299,400	1,91,36,250
Lime	3,797,992	51,88,423
Sulphuric Acid	4,817,299	21,69,741
Alluminium Chloride	1,964,379	0
Magnesium Hydroxide (light)	0	5,00,000
Bitern	2,340,245	7,82,601
Alluminium Sulphate	591,000	15,60,000
Magnesium Carbonate (Light)	5,329,325	20,40,500
Other Materials	3,242,582	11,81,748
Total	<u>220,924,301</u>	<u>221,911,969</u>
Value of Raw materials consumed in Percentage:		
Imported	0.00%	0.00%
Indigenous	100.00%	100.00%

NOTES No.23. CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Inventories at the end of the year		
Bhavnagar Unit:		
Finished Good	1,74,48,266	1,85,84,620
Semi-Finished Good	52,74,680	6,80,841
Ankleshwar Unit:		
Finished Good	0	13,18,968
Semi-Finished Good	0	0
	<u>2,27,22,947</u>	<u>2,05,84,429</u>
Inventories at the beginning of the year		
Bhavnagar Unit:		
Finished Good	1,85,84,620	2,40,56,098
Semi-Finished Good	6,80,841	95,99,672
Ankleshwar Unit:		
Finished Good	13,18,968	13,18,968
Semi-Finished Good	0	2,55,011
	<u>2,05,84,429</u>	<u>3,52,29,750</u>
TOTAL CHANGE (Net)	<u>-21,38,517</u>	<u>14,645,321</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.24. EMPLOYEE BENEFITS EXPENSE :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Salaries, Wages & Bonus	3,56,58,325	3,67,90,170
Contribution to Funds	26,32,009	24,41,840
Provision for Gratuity	9,29,145	9,69,399
Staff welfare expenses	5,64,907	9,32,931
TOTAL: EMPLOYEE BENEFITS EXPENSE	3,97,84,386	4,11,34,340

Salaries, Wages & bonus includes:

Remuneration to the Managing Directors & other Whole time Directors:	1,29,00,024	1,28,98,024
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As per Accounting standard 15 "Employee benefits", the disclosure defined in the accounting standard are given as below:

Defined Contribution Plan: Contribution paid to the plan recognized as expense for the year as under

	2020-2021 Amount Rs	2019-2020 Amount Rs
Employer's Contribution to Provident Fund	16,87,016	13,27,565
Contribution to Employees Linked Funds	3,61,370	4,03,791
Re-imb.of Contribution to PF & ESI of Contractors	4,89,201	4,98,218

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	9,29,145	9,69,399
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NOTES No.25. FINANCE COSTS :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Interest on Long term borrowings to Banks	9,17,011	24,51,348
Interest on Short term borrowings to Banks	4,73,203	4,73,203
Interest on Unsecured loans	4,636,030	46,16,225
Bank charges & Processing Fees	397,073	3,97,977
TOTAL: FINANCE COSTS	64,23,317	79,38,753

NOTES No.26. DEPRECIATION AND AMORTIZATION EXPENSE :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Depreciation/Amortization of tangible assets	2,81,93,951	2,76,15,126
Total Depreciation And Amortization Expense	2,81,93,951	2,76,15,126

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.27. OTHER EXPENSES :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Manufacturing expenses.		
Bhavnagar Unit:		
Freight Octroi & Transportation.	2,13,65,023	1,99,58,793
Fuel & Fire wood.	5,35,74,951	5,58,23,596
Laboratory Expenses.	9,87,568	6,65,364
Machinery Repairs & Maintenance.	60,14,513	61,72,794
Motive Power.	2,40,52,235	2,63,51,962
Packing material consumed.	1,64,12,742	1,70,31,720
Stores & Spares	1,24,543	14,72,069
Water, Drainage & Development Charges.	1,72,26,228	1,99,54,533
Testing Expense	6,87,591	4,62,260
Factory Expense.	1,15,87,820	66,47,687
Ankleshwar Unit:		
Freight Octroi & Transportation.	0	785
Fuel & Fire wood.	11,21,424	16,35,378
Laboratory Expenses.	0	1,030
Machinery Repairs & Maintenance.	1,86,409	3,21,262
Motive Power.	7,74,480	9,32,898
Stores & Spares	0	3,000
Water & Drainage Charges.	14,68,838	22,78,755
	15,55,84,364	15,97,13,887
Administrative expenses.		
Bhavnagar Unit:		
Auditor's Remuneration	3,85,000	3,55,000
Bad Debts	0	-53,605
Charity & Donation	53,461	5,60,460
Communication Expense	1,65,555	2,83,356
Director Sitting Fees	63,000	63,000
Insurance Premium	16,23,562	12,40,533
Legal & Professional Fees	26,92,680	66,01,919
Other Administrative Expenses	26,13,968	18,64,179
Rent, Rates & Taxes	5,35,451	12,63,769
Sales & Distribution Expenses	2,16,79,171	1,18,38,077
Vehicle Running & Maint.	11,26,784	6,36,985
CSR Activity Fund	0	12,22,830
Traveling & Conveyance Expense	1,00,265	2,50,593
Ankleshwar Unit:		
Insurance Premium	1,93,756	85,452
Legal & Professional Fees	71,400	33,683
Bad Debts	0	60,186
Other Administrative Expense	2,795	98,150
Rent, Rates & Taxes	19,18,802	1,49,278
Vehicle Running & Maint.	0	23,245
Communication Expense	5,003	17,334
	3,32,30,654	2,65,94,424
TOTAL: OTHER EXPENSES	18,88,15,018	18,63,08,312
Payment to auditor includes		
Statutory Audit Fees	150,000	1,50,000
Other Fees	55,000	25,000
Internal Auditor's Fees	1,80,000	1,80,000
Expenditure in Foreign Exchange		
Commission Expenses (Included in Sales & Distribution Expenses)	94,20,676	25,70,425

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.28. EXTRAORDINARY ITEMS :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Profit on Slump Sale of Ankleshar Unit	-1,98,57,02	0
TOTAL: EXTRAORDINARY ITEMS	-1,98,57,025	0
Details of Profit on Slump Sale of Ankleshar Unit		
Sale Consideration Received on Slump Sale of the Unit (a)	As per Book 50,000,000	As per Income-tax 50,000,000
Less:		
WDV Value of Fixed Assets of the Unit as on date.	29,344,285	11,768,942
Value of Investment of the Unit as on date.	564,850	564,850
Current Assets of the Unit as on date.	290,090	290,090
Less: Current Liability of the Unit as on date.	-56,250	-56,250
Total Net Value of the Assets of the Unit (b)	30,142,975	12,567,632
Profit on Slump Sale of Ankleshar Unit (a-b)	19,857,025	37,432,368

*** Value of Fixed Assets of the Unit as per Income-tax as on the date**

IT Block	Type of Assets	Gross Value	WDV as per IT
Land	GIDC Land	20,76,253	20,76,253
Land Total		20,76,253	20,76,253
Building	Factory Building.	1,42,60,314	40,06,033
	Storage Tank.	6,99,666	2,48,960
Building Total		1,49,59,980	42,54,993
Furniture & Fixtures	Furniture & Fixtures.	5,88,883	1,76,714
Furniture & Fixtures Total		5,88,883	1,76,714
Office Equipments	Office Equipment.	33,755	5,800
Office Equipments Total		33,755	5,800
Plant & Machinery	Plant & Machinery.	3,77,42,207	46,41,014
	Air Conditioner.	1,82,896	1,00,687
	Computer.	1,04,296	19
	Electric Installation.	44,54,479	4,71,977
	Laboratory Equipments.	1,45,435	38,937
	Weighing Scale	11,000	2,548
Plant & Machinery Total		4,26,40,313	52,55,182
Total		6,02,99,184	1,17,68,942

NOTES No.29. EARNINGS PER EQUITY SHARE: :

	2020-2021 Amount Rs	2019-2020 Amount Rs
Total operations for the year		
Profit/(loss) after tax	11,61,12,117	4,76,49,781
Less: Dividends on convertible preference share & tax thereon	0	0
Net profit/(loss) available for equity shareholders	11,61,12,117	4,76,49,781
Weighted average number of equity shares in calculating basic EPS	61,52,318	61,52,318
Weighted average number of equity shares in calculating diluted EPS	61,52,318	61,52,318
Earning Per Share:		
(1) Basic.	18.87	7.75
(2) Diluted.	18.87	7.75

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES No.30. CONTINGENT LIABILITIES :

Contingent liabilities in respect of:

1	Claims against the company not acknowledged as debts	0	0
2	Bank Gaurantee issued by bank Kotak Mahindra Bank	24,08,229	24,08,229
3	Bills discounted from bank	0	0
4	Letter of credit outstanding	0	0

NOTES NO.31:

31.1 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.

31.2 Both the plant of the company was shut-down in March 2020 following country wide lockdown due to COVID-19. The company has obtained the required permission and start the production in the end of April 2020. This global pandemic significantly affects 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 this financial statement, the company has evaluate the impact of COVID-19 on its business operation and based on its review and current indicators of future economic conditions, there is no significant impact on its financial results.

31.3 The figures and groupings of the previous year are re-grouped/reclassified whenever necessary so as to make them comparable with the current year.

31.4 The Company is primarily engaged in manufacturing of API, which constitute single business segment in terms of Accounting Standard 17 on Segment Reporting. Accordingly, there are no other business segments to be reported under Accounting Standard 17.

31.5 Paise have been round off to the nearest rupee amount.



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES NO.32: RELATED PARTY DISCLOSURES :

Disclosure of Transactions with related parties as required under Accounting Standard AS 18 on Related Party disclosures issued by The Institute of Chartered Accountants of India are given below :

A) The related parties where common control exists :

i) Details of Key Management Personnel :

Directors :

Falgunbhai V Savani
Jignesh V Savani
Ghanshyambhai B Savani
Naynaben J Savani
Shilapben F Savani

ii) Transactions with the enterprise in which significant influence is exercised by Key Management Personnel during the year:

Phal-Jig Fine Chemicals Private Limited Interested concern of Director's Father & Mother

iii) Transactions with Relatives of key Management Personnel during the year:

Vallabhbai J Savani Father of Directors

B) The following transactions were carried out with related parties in the ordinary course of business :

i) Details of Key Management Personnel :

Name	Nature Of Transaction	AS AT 31.03.2021	AS AT 31.03.2020
		Amount Rs	Amount Rs
Falgunbhai V Savani	Director's Remuneration	43,00,008	43,00,008
	Director Sitting Fees	13,000	9,000
	Re-imburement of Exp.	54,626	-
	Interest Paid On Loan	-	-
	Loan Received	-	-
	Loan Paid	-	-
	Closing balance-Loan a/c	-	-
	Closing balance-Salary	18,13,114	7,66,276
Ghanshyambhai B Savani	Director's Remuneration	43,00,008	43,00,008
	Director Sitting Fees	7,000	9,000
	Interest Paid On Loan	-	-
	Loan Received	-	-
	Loan Paid	-	-
	Closing balance-Loan a/c	-	-
	Closing balance-Salary	42,75,246	29,54,238
	Jignesh V Savani	Director's Remuneration	43,00,008
Director Sitting Fees		9,000	9,000
Re-imburement of Exp.		1,12,753	-
Interest Paid On Loan		-	-
Loan Received		-	-
Loan Paid		-	-
Closing balance-Loan a/c		-	-
	Closing balance-Salary a/c	33,02,599	35,75,491

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

NOTES NO.32: RELATED PARTY DISCLOSURES :

Naynaben J Savani	Interest Paid On Loan	-	-
	Director Sitting Fees	12,000	9,000
	Loan Received	-	-
	Loan Paid	-	-
	Closing balance-Loan a/c	-	-
	Closing balance-Salary a/c	-	-
Shilapben F Savani	Interest Paid On Loan	-	-
	Director Sitting Fees	5,000	5,000
	Loan Received	-	-
	Loan Paid	-	-
	Closing balance-Loan a/c	-	-
	Closing balance-Salary a/c	-	-

ii) Transactions with the enterprise in which significant influence is exercised by Key Management Personnel during the year

Name	Nature Of Transaction	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
Phal-Jig Fine Chemicals Private Limited	Loan Paid	-	-
	Loan Received	-	-
	Re-imbursment of Exp.	871	-
	Closing balance	7,286	6,415

iii) Transactions with Relatives of key Management Personnel during the year:

Name	Nature Of Transaction	AS AT 31.03.2021 Amount Rs	AS AT 31.03.2020 Amount Rs
Vallabhbbhai J Savani	Director's Remuneration	-	-
	Current Interest Paid on Loan	46,36,030	45,63,882
	Prev. Year Credited Int. Paid	20,65,399	
	Loan Received	-	1,56,52,638
	Loan Paid	-	1,76,94,678
	Closing balance-Loan a/c	3,80,43,219	4,01,08,618
	Closing balance-Salary a/c	3,97,294	3,97,294

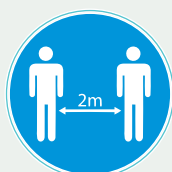
COVID-19 VACCINATION CAMP



WE GOT OUR COVID-19 VACCINE

'Prevention' has an important role to play in living a healthy, disease-free life, well into old age – a fact that more adults need to be aware of. And, prevention starts with good lifestyle habits. However, there is one crucial piece that needs to be added to this blueprint for a healthy life: **VACCINE**

"PREVENTION IS BETTER THAN CURE"



BE SAFE BE HEALTHY

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DRUGS AND CHEMICALS LIMITED



Corporate Office

816, Nilamber Triumph,
Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991022

Registered Office

815, Nilamber Triumph,
Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone no.: 0265-2991021

Factory Unit

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



sales@pardrugs.com



www.pardrugs.com