

INDEPENDENT AUDITOR'S REPORT

To the Members of **Italia Pharmaceuticals Private Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements^s of Italia Pharmaceuticals Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss and the 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 financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and it's profit 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 ethical requirements that are relevant to our audit of the financial statements as per the ICAI's Code of Ethics and the provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report including the Annexures, but does not include the financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other

information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information as stated above and if, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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, changes in equity 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The 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

1. The Company in accordance with para (iv) of para 2 of Companies (Auditor's Report) Order, 2020 is exempt from the applicability of the Order therefore we have not enclosed a statement of the matters specified in para 3 and para 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet and the Statement of Profit and Loss 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.
 - e) On the basis of the written representations received from the Directors as on 31 March 2022 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2022 from being appointed as a Director in terms of section 164(2) of the Act.
 - f) The Company is a private limited company, the turnover is less than fifty crores and the borrowings from bank or financial institution or any body corporate at any point of time during the financial year were less than twenty five crores, therefore, we have not reported on adequacy and

operating effectiveness of Internal financial control with reference to financial statement in accordance with para 9A of Notification G.S.R. 464(E) dated 5th June, 2015 as amended by Notification No. G.S.R. 583(E) dated 13th June, 2017.

- g) The Company is a private limited company, therefore matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended is not applicable.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 32 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 33 to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

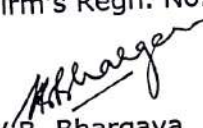


- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year therefore reporting of compliance under Rule 11(f) is not applicable.

Place: Lucknow
Date: 05.09.2022



For **BHARGAVA & CO.**
Chartered Accountants
Firm's Regn. No.: 000765C


V.B. Bhargava
Partner
Membership No.: 070302

Unique Document Identification Number (UDIN) for this document is 22070302BAFXBF7887

Italia Pharmaceuticals Private Limited
CIN : U24232MP1996PTC010830
Balance Sheet as at 31st March, 2022

(Rs. in thousands, except share and per share data, unless otherwise stated)

Particulars	Note No	31st March 2022 (Amount in Rs. in '000)	31st March 2021 (Amount in Rs. '000)
I EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share capital	2	3,950.00	3,950.00
(b) Reserves and surplus	3	3,904.67	3,772.26
(2) Non-current liabilities			
(a) Long-term borrowings	4	3,020.89	3,220.89
(b) Other long term liabilities	5	400.00	400.00
(3) Current liabilities			
(a) Short-term borrowings	6	4,977.36	4,763.68
(b) Trade payables		0.00	0.00
(A) total outstanding dues of micro enterprises and small enterprises; and			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	7	1,527.51	4,153.21
(c) Other current liabilities	8	811.87	2,314.62
(d) Short-term provisions	9	113.18	180.96
Total		18,705.48	22,755.62
II Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible assets	10	1,542.73	1,703.05
(b) Long-term loans and advances	11	19.00	19.00
(c) Deferred Tax Asset	12	16.18	34.14
(2) Current assets			
(a) Inventories	13	2,246.53	2,865.49
(b) Trade receivables	14	14,668.77	17,873.75
(c) Cash and cash equivalents	15	106.99	102.96
(d) Other current assets	16	105.28	157.23
Total		18,705.48	22,755.62

Significant accounting policies

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For Bhargava & Co.

Chartered Accountants

Firm registration number: 000765C

V.B. Bhargava
Partner

Membership No.: 070302

Place: Lucknow

Date: 05.9.2022



For and behalf of the board of directors of
Italia Pharmaceuticals Private Limited

Lakshmi Chand Makhija

Lakshmi Chand Makhija
[Director]
Din-00449285

Jagdish Kumar

Jagdish Kumar
[Director]
Din-00449261

Income Statement and Loss Statement for the year ended on 31 March 2022

(Rs. in thousands, except share and per share data, unless otherwise stated)

Particulars	Note No.	For the year ended 31-Mar-2022 Rs. in 000	For the year ended 31-Mar-2021 Rs. in 000
Revenue from operations	17	11,868.94	23,785.97
Total Income		11,868.94	23,785.97
<u>Expenses:</u>			
Cost of materials consumed	18	5,149.62	7,139.46
Purchase of stock in trade	19	2,154.93	4,718.67
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	-579.47	1,242.49
Employee benefit expense	21	2,637.21	6,380.55
Financial costs	22	445.56	390.16
Depreciation and amortisation cost	10	160.32	166.29
Other expenses	23	1,674.59	3,226.45
Total expenses		11,642.77	23,264.07
Profit before tax		226.17	521.90
Tax expense:			
(1) Current tax		44.29	110.20
(2) Deferred tax	12	17.96	-34.14
(3) Income tax earlier years		31.51	0.00
Profit from the period		132.41	445.84
Profit/(Loss) for the year		132.41	445.84
Earning per equity share:	26		
Face value per equity shares Rs.10/- fully paid up.			
(1) Basic		0.34	1.13
(2) Diluted		0.34	1.13

Notes referred to above form an integral part of the Financial Statements.

Significant accounting policies

1

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For Bhargava & Co.

Chartered Accountants

Firm registration number: 000765C

For and behalf of the board of directors of
Italia Pharmaceuticals Private Limited

Lakshmi Chand Makhija

Jagdish Kumar

Lakshmi Chand Makhija
[Director]
Din-00449285

Jagdish Kumar
[Director]
Din-00449261

V.B. Bhargava
Partner

Membership No.: 070302

Place: Lucknow

Date: 05.9.2022



Pharmaceutical Private Limited

Financial Statements for the year ended 31st March 2022

Background

Italia Pharmaceutical Private Limited (herein referred to as "the Company") was incorporated on 15th May 1996 (CIN: U2432MP1996PTC010830) having primary business of manufacturing & trading of Medicines and related items.

Shri Lakshmi Chandra Makhija holds approximately 62% of the equity share capital, 33% is held by Shri Jagdish Kumar and 5% is held by Smt. Jai Devi

2. Significant Accounting Policies

a) Basis of accounting and preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards under Section 133 of the Companies Act, 2013, ('the Act') read with Rule 7 of Companies (Accounts) Rules, 2014.

The accounting policies have been consistently applied by the Company. The financial statements are presented in Indian rupees, rounded off to the nearest rupee.

b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenue and expenses for the year. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future years.

Fixed assets and depreciation

Fixed assets are carried at the cost of acquisition less accumulated depreciation. The cost of fixed assets includes taxes, duties, freight, and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation on tangible assets is provided on Written down Value Method over the useful life of asset prescribed in Part C of Schedule 2 of the Companies Act, 2013.

Inventories

(i) Inventories are carried at the lower of cost and net realisable value.

(ii) Cost comprises purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition. The method of determination of cost First in First Out (FIFO) basis.

c) Revenue recognition

Revenue from sales is recognized at the point of dispatch of goods to the customers and are stated net of trade discounts, rebates, taxes etc.

d) Income-tax

Income-tax expense comprises current tax (i.e., amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). 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 realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably or virtually certain (as the case may be) to be realised. The Company offsets, on a year-on-year basis, the current and deferred tax assets, and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Minimum Alternate Tax ('MAT') paid in a year in respect of which credit is allowed during the specified period under the Income Tax Act is recognised as 'MAT credit Entitlement' under loans and advances and is assessed at each Balance Sheet date for prudence. In the year in which MAT credit entitlement becomes eligible to be recognised as an asset in accordance with the recommendations contained in 'Guidance Note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961' the said asset is created by way of credit to profit & loss account and presented as a separate line item.

Notes to Financial Statements for the year ended 31st March 2022

(Rs. in thousands, except share and per share data, unless otherwise stated)

2 Share capital

Authorized share capital

4,00,000 (Previous Year : 4,00,000) equity shares of Rs. 10/- each

Issued, subscribed and fully paid-up shares

3,95,000 (Previous Year : 3,95,000) equity shares of Rs. 10/- each

	As at 31-Mar-2022	As at 31-Mar-2021
4,00,000	4,000.00	4,000.00
	<u>4,000.00</u>	<u>4,000.00</u>
3,95,000	3,950.00	3,950.00
	<u>3,950.00</u>	<u>3,950.00</u>

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Equity shares

At the beginning of the period

Issued during the period

Outstanding at the year end

	As at 31-Mar-2022		As at 31-Mar-2021	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the period	3,95,000	3,950.00	3,95,000	3,950.00
Issued during the period	-	0.00	-	0.00
Outstanding at the year end	<u>3,95,000</u>	<u>3,950.00</u>	<u>3,95,000</u>	<u>3,950.00</u>

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders..

c. No shares were issued by the Company as bonus shares or shares issued for consideration other than cash during the period of five years immediately preceeding the reporting date.

d. Shares in the Company held by each shareholders holding more than 5% shares:

Equity shares of Rs. 10 each fully paid

Shri Lakshmi Chand Makhija
Shri Jagdish Kumar

	As at 31-Mar-2022		As at 31-Mar-2021	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Shri Lakshmi Chand Makhija	2,45,000	62%	2,45,000	62%
Shri Jagdish Kumar	1,30,000	33%	1,30,000	33%
	<u>3,75,000</u>	<u>95%</u>	<u>3,75,000</u>	<u>95%</u>

e. There are no shares reserved for issue under options.

f. Shareholding of Promoters

Name of promoter

Shri Lakshmi Chand Makhija
Shri Jagdish Kumar

	As at 31-Mar-2022		
	No. of Shares	% of Total Shares	% Change during the Period
Shri Lakshmi Chand Makhija	2,45,000	62%	
Shri Jagdish Kumar	1,30,000	33%	
	<u>3,75,000</u>	<u>95%</u>	<u>-</u>

Name of promoter

Shri Lakshmi Chand Makhija
Shri Jagdish Kumar

	As at 31-Mar-2021		
	No. of Shares	% of Total Shares	% Change during the Period
Shri Lakshmi Chand Makhija	2,45,000	62%	
Shri Jagdish Kumar	1,30,000	33%	
	<u>3,75,000</u>	<u>95%</u>	<u>-</u>



	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
3 Reserves and surplus		
(a) Surplus / (deficit) i.e. balance in the statement of profit and loss		
Balance as per last financial statements		
Profit for the year	3,772.26	3,326.43
Less: Appropriations	132.41	445.84
Profit / (loss) in the statement of profit and loss	<u>0.00</u>	<u>0.00</u>
	3,904.67	3,772.26
Total reserves and surplus	<u>3,904.67</u>	<u>3,772.26</u>
	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
4 Long-term borrowings		
A Loans and advances from related parties		
Jagdish Kumar	459.11	459.11
Laxmichand Makhija	2,561.78	2,761.78
Total Long term liabilities	<u>3,020.89</u>	<u>3,220.89</u>
	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
5 Other long term liabilities		
(a) Security Deposit with Pawan Pharma	400.00	400.00
	<u>400.00</u>	<u>400.00</u>
	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
6 Short-term borrowings		
(a) CC A/c with Punjab National Bank	4,977.36	4,763.68
	<u>4,977.36</u>	<u>4,763.68</u>
	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
7 Trade payables		
(a) Total outstanding dues of micro enterprise and small enterprises		
(b) Total outstanding dues of other than micro enterprises and small enterprises	1,527.51	4,153.21
	<u>1,527.51</u>	<u>4,153.21</u>

Trade payable ageing schedule

As at 31-Mar-2022

	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	-	1,527.51	-	-	-	1,527.51
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	<u>-</u>	<u>1,527.51</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,527.51</u>

As at 31-Mar-2021

	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	-	4,153.21	-	-	-	4,153.21
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	<u>-</u>	<u>4,153.21</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,153.21</u>



Other current liabilities
Audit Fees Payable
Salary Payable
Power Expenses Payable
Director Remuneration Payable
Commission Payable

31-Mar-2022	31-Mar-2021
Rs. in 000	Rs. in 000
25.00	25.00
321.00	1,443.20
0.00	20.55
462.84	822.84
3.03	3.03
811.87	2,314.62

9 Short-term provisions
Income Tax Payable (Net of TDS)
TDS Payable
GST Payable

31-Mar-2022	31-Mar-2021
Rs. in 000	Rs. in 000
44.03	110.20
6.89	9.72
62.27	61.03
113.18	180.96

11 Long-term loans and advances
Deposits With:
Bharti Telenet
MPEB
Central Sales Tax FDR
Indane Gas Security Deposit

31-Mar-2022	31-Mar-2021
Rs. in 000	Rs. in 000
4.00	4.00
8.00	8.00
4.00	4.00
3.00	3.00
19.00	19.00

12 Deferred tax assets/ (liability)

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent periods in compliance with Accounting Standard (AS 22)- Accounting for Taxes on Income.

The major components of deferred tax liabilities arising on account of timing difference are:

Deferred tax Asset

Difference between Written Down Value of Fixed Assets as per the books of accounts and Income

Deferred tax liability

31-Mar-2022	31-Mar-2021
Rs. in 000	Rs. in 000
16.18	34.14
16.18	34.14

13 Inventories

Inventories are valued at lower of cost and net realisable value

Raw materials

Packing Material

Finished goods

31-Mar-2022	31-Mar-2021
Rs. in 000	Rs. in 000
345.81	1,380.66
85.38	248.96
1,815.34	1,235.87
2,246.53	2,865.49

14 Trade receivables

Unsecured considered good

31-Mar-2022	31-Mar-2021
Rs. in 000	Rs. in 000
14,668.77	17,873.75
14,668.77	17,873.75



The following table represent ageing of Trade receivables as on March 31, 2022:

	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	14,668.77	-	-	-	14,668.77
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-
(v) Amounts not due as on balance sheet date	-	-	-	-	-	-
	<u>-</u>	<u>14,668.77</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,668.77</u>

The following table represent ageing of Trade receivables as on March 31, 2021:

	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	17,873.75	-	-	-	-	17,873.75
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-
(v) Amounts not due as on balance sheet	-	-	-	-	-	-
	<u>17,873.75</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,873.75</u>

	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
15 Cash and cash equivalents		
i Balances with bank:		
- in current account	4.54	-124.48
II Cash in hand	102.45	227.44
	<u>106.99</u>	<u>102.96</u>
	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
16 Other current assets		
Prepaid Insurance	0.00	21.87
Prepaid Pollution Fees	105.28	135.36
	<u>105.28</u>	<u>157.23</u>
	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
17 Revenue from operations		
Sale of products	11,868.94	23,785.97
	<u>11,868.94</u>	<u>23,785.97</u>
	31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
18 Cost of materials consumed		
Opening stock of raw materials and packing materials	1,629.62	2,357.01
Add: Purchases within India	3,951.19	6,412.07
	<u>5,580.81</u>	<u>8,769.08</u>
Less: Closing stock of raw material and packing material	431.19	1,629.62
Cost of material consumed	<u>5,149.62</u>	<u>7,139.46</u>



19 **Purchase of stock in trade**
Purchases within India

31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
2,154.93	4,718.67
<u>2,154.93</u>	<u>4,718.67</u>

20 **Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
Stock at the beginning of the year	
Finished goods	
[A] 0	
1,235.87	2,478.36
<u>1,235.87</u>	<u>2,478.36</u>
Stock at the closing of the year	
Finished goods	
[B] 0	
1,815.34	1,235.87
<u>1,815.34</u>	<u>1,235.87</u>
<u>-579.47</u>	<u>1,242.49</u>

Finished goods

[A]

0

Stock at the closing of the year

Finished goods

[B]

0

Change in Inventories of Finished goods and WIP [A] - [B]

0

21 **Employee benefit expense**

31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
Salaries and wages	1,688.57
Director's Remuneration	720.00
Staff welfare expense	228.64
<u>2,637.21</u>	<u>6,380.55</u>

Salaries and wages

Director's Remuneration

Staff welfare expense

22 **Financial costs**

31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
Interest expense	427.86
Loan Processing Fees	17.70
<u>445.56</u>	<u>390.16</u>

Interest expense

Loan Processing Fees

23 **Other expenses**

31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
Audit Fees	25.00
Freight inwards	20.74
Freight outwards	199.31
Car Repair & Maintenance	49.81
Legal & Consultancy Expenses	93.80
Factory Expenses	320.07
Insurance (Car)	9.60
Insurance (Factory)	58.46
Power Expenses	154.11
Loading/ Unloading Charges	18.68
Printing and stationery	32.03
Office Expenses	66.60
Repairs and maintenance (Machinery)	84.42
Sales Promotion	58.40
Testing Charges	144.99
Travelling and conveyance	45.30
Miscellaneous Expenses	69.87
Rent	20.00
Telephone Expenses	43.88
Temple Expenses	24.10
Water Charges	81.00
Pollution fees	30.08
Other Expenses	8.89
Bank charges	15.46
<u>1,674.59</u>	<u>3,226.45</u>

Audit Fees

Freight inwards

Freight outwards

Car Repair & Maintenance

Legal & Consultancy Expenses

Factory Expenses

Insurance (Car)

Insurance (Factory)

Power Expenses

Loading/ Unloading Charges

Printing and stationery

Office Expenses

Repairs and maintenance (Machinery)

Sales Promotion

Testing Charges

Travelling and conveyance

Miscellaneous Expenses

Rent

Telephone Expenses

Temple Expenses

Water Charges

Pollution fees

Other Expenses

Bank charges



1. Names of related parties and related party relationshipRelated parties where control existsOwnership of more than 50% of voting power

Mr Lakshmi Chand Makhija

Nature of Relationship

Director

Key Managerial Personnel

Mr Jagdish Kumar

Director

M/s Pawan Pharma

Partnership Firm of Directors

Smt. Kavita Makhija

Director's Wife

Smt. Anupama Makhija

Director's Wife

Mr. Dheeraj Makhija

Director's Son

Mrs Ayesha Makhija

Director's daughter in law

2. Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

3. Transaction with parties having controlling interest :-

Particulars	Year ended	Loans accepted	Repayment of loan	Remuneration
a. Lakshmi Chand Makhija	31/03/22	100.00	300.00	540.00
	31/03/21	-	-	360.00
b. Jagdish Kumar	31/03/22	-	-	540.00
	31/03/21	-	-	360.00
c. Kavita Makhija	31/03/22	-	-	
	31/03/21	-	-	450.00
d. Anupama Makhija	31/03/22	-	-	
	31/03/21	-	-	450.00
e. Ayesha Makhija	31/03/22	-	-	
	31/03/21	-	-	450.00
f. Dheeraj Makhija	31/03/22	-	-	
	31/03/21	-	-	495.00

Transaction with firms in which directors are interested

	31-Mar-22	31-Mar-21
	Rs.	Rs.
M/s Pawan Pharma		
Sale of goods	11,868.94	23,730.31

3. Balance outstanding at year end

	Remuneration Payable		Unsecured Loans	
Ownership of more than 50% of voting power	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
	Rs.	Rs.	Rs.	Rs.
Lakshmi Chand Makhija	231.42	411.42	2,561.78	2,761.78
Jagdish Kumar	231.42	411.42	459.11	459.11
Anupama Makhija	111.00	471.00	-	-
Ayesha Makhija	90.00	45.00	-	-
Kavita Makhija	108.00	468.00	-	-

Sundry Debtors

	31-Mar-22	31-Mar-21
	Rs.	Rs.
M/s Pawan Pharma	14,633.77	17,823.65



31-Mar-2022 Rs. in 000	31-Mar-2021 Rs. in 000
25.00	25.00
25.00	25.00

26 Earning per equity share

Earnings per share has been computed as under:
Profit for the year (Rs. in 000)

Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share

Basic Earnings per share on profit for the year

There are no dilutive elements to Basic EPS therefore Dilutive EPS is the same as Basic EPS

31-Mar-2022	31-Mar-2021
[A]	
132.41	445.84
[B]	
3,95,000	3,95,000
[A] / [B]	
0.34	1.13

27 Contingent liabilities and commitments

The company does not have any contingent liabilities or commitments as on year end

28 Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books

29 Company has not defaulted on any loans and has not been declared wilful defaulter by any bank or financial institution or other lender.

30 Relationship with Struck off Companies

The company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the

31 Registration of charges or satisfaction with Registrar of Companies

All charges or satisfaction have been registered with Registrar of Companies.

32 The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company

33 The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

34 The Company does not have a subsidiary or joint ventures therefore is not required to present consolidated financial statement.

35 There are no discontinuing operations during the current reporting period by the Company.

36 The Company has not imported any goods in the current year and the previous year, no expenditure has been made in foreign currency therefore no disclosure has been made for CIF value of imports, Expenditure in foreign currency and Earnings in foreign currency.

37 The Company is engaged in trading activities and operates in a single segment in a similar geographical area therefore Segment Reporting

38 In the opinion of Management, current assets, loans and advances are approximately of the value stated in the balance sheet if realised in the ordinary course of business.

39 Corresponding previous period's figures have been regrouped/reclassified wherever necessary.



Lakshmi Chand Makhija
Lakshmi Chand Makhija
[Director]
Din-00449285

Jagdish Kumar
Jagdish Kumar
[Director]
Din-00449261

10 **Property, Plant and Equipment and Intangible assets**
 (a) **Tangible Assets**

	Land	Buildings	Plant and equipment	Furniture and fixtures	Computer	Vehicles	Total
Gross carrying value							
At 1 April 2021	207.45	4,569.26	6,475.85	272.17	2,709.16	131.24	14,365.12
Additions							
Disposals							
At 31 March 2022	207.45	4,569.26	6,475.85	272.17	2,709.16	131.24	14,365.12
Accumulated depreciation/impairment:							
At 1 April 2021		3,599.42	6,059.23	258.57	2,616.09	128.76	12,662.07
Depreciation and impairment	0.00	107.62	52.64	0.07	0.00	0.00	160.32
Disposals	0.00	0.00	0.00	0.00			0.00
Other adjustments	0.00	0.00	0.00	0.00			0.00
At 31 March 2022	0.00	3,707.04	6,111.86	258.64	2,616.09	128.76	12,822.39
Net carrying value 31/03/2022	207.45	862.22	363.99	13.53	93.07	2.48	1,542.73
Gross carrying value							
At 1 April 2020	207.45	4,569.26	6,475.85	272.17	2,709.16	131.24	14,365.12
Additions							
Disposals							
At 31 March 2021	207.45	4,569.26	6,475.85	272.17	2,709.16	131.24	14,365.12
Accumulated depreciation/impairment:							
At 1 April 2020		3,491.80	6,006.59	258.51	2,616.09	122.79	12,495.77
Depreciation and impairment	0.00	107.62	52.64	0.07		5.97	166.29
Disposals	0.00	0.00	0.00	0.00			0.00
Other adjustments	0.00	0.00	0.00	0.00			0.00
At 31 March 2021	0.00	3,599.42	6,059.23	258.57	2,616.09	128.76	12,662.07
Net carrying value 31/03/2021	207.45	969.84	416.62	13.59	93.07	2.48	1,703.05

(b) **Details of Benami Property held**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.



Italia Pharmaceuticals Private Limited
Depreciation as per Income tax Act for AY 2022-23

S.No.	BLOCK	Rate	Opening As on 01.04.2021	Additions		Sale / Disposal	Total	Depreciation for the Year	W.D.V As On 31.03.2022
				Before 30.09.2021	After 30.09.2021				
1	Furniture & Fittings	10.00%	33.50	0.00	0.00	0.00	33.50	3.35	30.15
2	Plant & Machinery	15.00%	888.55	0.00	0.00	0.00	888.55	133.28	755.27
3	Plant & Machinery	40.00%	5.11	0.00	0.00	0.00	5.11	2.04	3.07
4	Buildings	10.00%	907.19	0.00	0.00	0.00	907.19	90.72	816.47
	TOTAL		1,834.35	0.00	0.00	0.00	1,834.35	229.40	1,604.95



Deferred tax computation Balance Sheet approach as on 31st March 2022

Particulars	As per financials	As per Income tax	Timing difference	Applicable tax rate	Deferred tax
Fixed assets	1,542.73	1,604.95	62.22	26.0%	16.18
Provisions not allowed in Income tax	0.00	0.00	0.00	26.0%	0.00
Deferred revenue expenditure	0.00	0.00	0.00	26.0%	0.00
40(a)(ia)	0.00	0.00	0.00	26.0%	0.00
43B	0.00	0.00	0.00	26.0%	0.00
Unabsorbed depreciation	0.00	0.00	0.00	26.0%	0.00
Carry forward loss	0.00	0.00	0.00	26.0%	0.00
Deferred tax asset/ (liability)					16.18
Opening Deferred Tax Asset/(Liability)					34.14
Debited to P&L A/c					-17.96



Computation as per normal provisions of income tax
from business and profession
Assessment Year 2022-23

Particulars	Rs. In 000 Rs. In 000	
	Amount	Amount
Net profit/ (loss) as per PL	226.17	226.17
Add: Expenses not allowed Depreciation Companies Act	160.32	
Less:	0.00	
Depreciation Income tax	229.40	-69.07
Gross total income		
Net income (Rounded off)		157.10
		157.10
Income Tax @ 22 %	34.56	
Surcharge @ 10%	3.46	
Cess @ 4 %	1.52	39.54
Net provision for income tax		39.54
Interest		4.76
Total Tax Provision		44.29
Less: Advance tax & TDS		
Payable	0.26	44.03

Computation as per the MAT provisions		
Net Profit as per PL	226.17	
Add:		
Depreciation	160.32	
Less:		
Depreciation	160.32	226.17
Net MAT income(Book Profit)		226.17
Less: unabsorbed depreciation		0.00
15.6% of Book Profit		226.17
		35.28
Total tax provision required		44.29



	Ratio Analysis	Numerator	Rs in 000	Denominator	Rs in 000	31/03/2022	31/03/2021	% change compared to previous FY	
1.	Current Ratio	Current Assets Inventories Trade Receivables Cash and Bank balances Any other current assets	2,246.53 14,668.77 106.99 105.28 17,127.57	Current Liabilities Creditors for goods and services Short term loans Provisions Any other current liabilities	1,527.51 4,977.36 113.18 811.87 7,429.92	2.31	1.84	25.28%	Repayment of Creditors
2	Debt Equity Ratio	Total Liabilities Total Outside Liabilities	4,977.36	Shareholder's Equity Total Shareholders Equity	7,854.67	0.63	0.62	2.72%	
3	Debt Service Coverage Ratio	Net Operating Income Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest+other adjustments like loss on sale of fixed assets, etc.	738.55	Debt Service Current Debt Obligation (Interest & Lease payment+ Principal Repayment.	427.86	1.73	2.48	-30.44%	Decrease in Sales and profit
3	Return on Equity Ratio	Profit for the period Net Profit after taxes - preference dividend (if any)	132.41	Avg. Shareholders Equity (Beginning shareholders' equity + Ending shareholders' equity) ÷ 2	7,788.47	0.02	0.06	-71.40%	Decrease in Sales and profit
4	Inventory Turnover Ratio	Cost of Goods sold (Opening Stock + Purchases) - Closing Stock	1,575.46	Average Inventory (Opening Stock + Closing Stock)/2	1,525.61	1.03	3.21	-67.83%	Decrease in Purchases
5	Net Capital Turnover Ratio	Net Sales Total Sales - Sales Return	11,868.94	Average Working Capital Current Assets - Current Liabilities	7,854.67	1.51	2.48	-39.10%	Decrease in Sales
6	Net Profit Ratio	Net Profit Profit After Tax	132.41	Net Sales Sales	11,868.94	0.01	0.02	-40.48%	Decrease in Sales
7	Return on Capital employed	EBIT Profit before Interest and Taxes	671.73	Capital Employed * Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	11,275.56	0.06	0.08	-25.91%	Decrease in profit

