



DRUGS AND CHEMICALS LIMITED

EXCELLENCE IN EVERY MOLECULE

Annual Report 2023-24



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01

Overview

About The Company

Par Drugs And Chemicals Limited is dedicated to advancing the pharmaceutical industry by developing and manufacturing high-quality Active Pharmaceutical Ingredients (APIs). Established in 1982 by Late Shri Vallabhbai J Savani. our company has built a reputation for excellence and innovation, making significant contributions to healthcare in India and globally.

Our commitment to quality and reliability has earned us the trust of renowned companies. Our diverse customer base reflects the high standards we have for our manufacturing processes.

Our Legacy and Leadership

Mr. Falguni Savani and Mr. Jignesh Savani promoted Par Drugs And Chemicals Limited to deliver top-notch APIs to the pharmaceutical sector. Our leadership and vision have guided us to become a cornerstone in the industry, known for our unwavering commitment to quality and progress.

Diverse Product Portfolio & Global Reach

Par Drugs And Chemicals Limited manufactures 25 different products, meeting all requisite market grades. Our diverse portfolio includes 15 APIs and 10 Fine Chemicals, which are marketed both domestically and internationally. Our products' broad reach and exceptional quality demonstrate our capability and dedication to the industry.

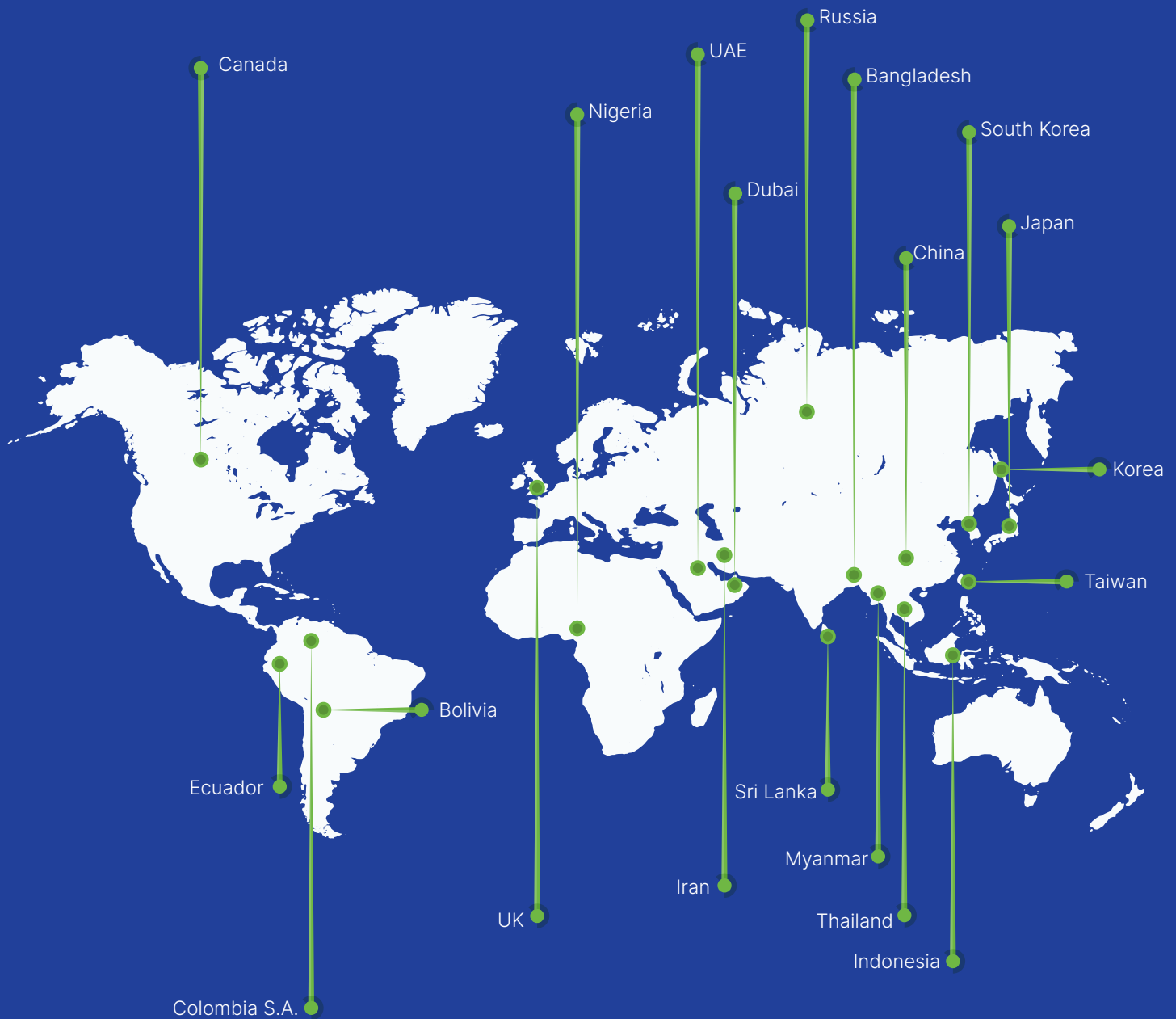
Global Reach

Par Drugs And Chemicals Limited's products are exported to approximately 20 countries, including Germany, the United Kingdom, Bangladesh, Iran, and the UAE. Our extensive export network ensures that our high-quality APIs and fine chemicals are available globally, contributing to improved healthcare outcomes worldwide.

15 APIs

10 Fine Chemicals

20 Countries



Vision

To develop an Ultra-Modern R&D facility to bring various chemical innovations to life.

To implement the new production process standards into our existing product lines, which will optimise the production time without compromising on quality and make 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 by-products from our existing product lines.

Mission

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.

Message from the Chairman & Managing Director



Over the years, we have carefully crafted a diversified product portfolio that is the backbone of our operations. Our expertise in producing high-quality Active Pharmaceutical Ingredients (APIs) and fine chemicals has positioned us as a leader in the industry.

Dear Shareholders,

As I reflect on Par Drugs And Chemicals Limited's journey, I am filled with pride and accomplishment. Our unwavering commitment to quality, innovation, and strategic growth has transformed us into a key player in the pharmaceutical and chemical industries. Our path has been defined by a clear vision, a strong sense of purpose, and a relentless drive to excel in every aspect of our business.

A Journey of Strategic Growth and Innovation

Over the years, we have carefully crafted a diversified product portfolio that is the backbone of our operations. Our expertise in producing high-quality Active Pharmaceutical Ingredients (APIs) and fine chemicals has positioned us as a leader in the industry. We take pride in our ability to meet the

diverse needs of our clients, both domestically and internationally, and our continued expansion into new markets underscores our global ambitions.

The breadth of our product offerings measures not just our success but also the impact we make across the 20 countries we serve. Our clients' trust and loyalty are testaments to the quality and reliability of our products. This global presence, which we have built together, has been a cornerstone of our growth strategy, allowing us to diversify our revenue streams and mitigate risks associated with regional market fluctuations.

Financial Performance

The fiscal year 2023-2024 has been a testament to our robust financial health and strategic growth. We recorded a total revenue of ₹9,588.27 lakhs, showcasing our

steady performance despite a marginal dip from the previous year. Our Profit Before Tax (PBT) stood at ₹1,951.66 lakhs, reflecting a significant increase from ₹1,507.92 lakhs in the last year, indicating our focus on cost efficiency and operational excellence. The Profit After Tax (PAT) also saw a commendable rise to ₹1,450.10 lakhs, compared to ₹1,133.41 lakhs in FY 2022-2023.

Our Profit & Loss (P&L) statement reflects a well-managed balance between revenue and expenses, with a disciplined cost management approach leading to a healthy bottom line. This solid financial performance has positioned us well to continue our strategic initiatives and create long-term shareholder value.

Competitive Advantages and Strategic Direction

Our journey has been fueled by several key strengths that differentiate us in the marketplace. Our diversified portfolio allows us to cater to various customer needs, ensuring we remain relevant and competitive in an ever-evolving industry. The experienced leadership team at Par Drugs And Chemicals Limited has been instrumental in guiding the company through various growth phases, leveraging their deep industry knowledge to make informed strategic decisions.

Innovation remains at the heart of everything we do. Our robust research and development capabilities enable us to continuously improve our processes, enhance product quality, and reduce production costs. This commitment to innovation ensures that we remain at the forefront of the industry, delivering value to our customers and shareholders alike.

Commitment to Corporate Governance

At Par Drugs And Chemicals Limited, strong governance is the foundation of a sustainable and resilient business. Our governance framework is designed to ensure transparency, accountability, and ethical conduct in all our operations. We have established several committees to oversee critical aspects of our business, ensuring that our decisions are always aligned with the best interests of our stakeholders.

We are committed to maintaining the highest standards of corporate governance, with a focus on ethical practices, compliance, and stakeholder engagement. Our policies and practices are regularly reviewed and updated to reflect the evolving regulatory landscape and the needs of our stakeholders. We believe that good governance is not just about compliance but about building trust and fostering long-term relationships with all those who have a stake in our success.

Looking Ahead

As we move forward, we remain focused on our mission to deliver high-quality products and services that meet our customers' needs while driving sustainable growth for our shareholders. We will continue to invest in our people, processes, and technology to maintain our competitive edge and capitalise on new opportunities.

I want to express my heartfelt gratitude to our employees, customers, partners, and, most importantly, our valued shareholders for your unwavering support. We will continue to build on our successes and achieve new milestones.

Thank you for your trust and confidence in Par Drugs And Chemicals Limited.

Sincerely,



Mr. Falgun V. Savani
Chairman & Managing Director

Review by ED & Chief Executive Officer



Understanding the importance of geographical diversification, we have strategically pursued expansion into high-potential regions such as Japan, South Korea, and China.

Dear Shareholders,

As we open a new chapter in Par Drugs And Chemicals Limited's history and enter FY25, I take this moment to reflect on the previous year with a sense of pride and accomplishment. Despite facing challenging global market conditions, our strategic focus and resilience have paved the way for substantial progress, ensuring we remain steadfast in our long-term vision.

Strategic Growth and Innovation

Our unwavering commitment to innovation has been the driving force behind our growth journey. Over the past year, we have continued to expand our product portfolio, targeting new application segments and introducing high-value products that resonate with diverse market needs. By harnessing our advanced R&D

capabilities, we have not only strengthened our market position but also instilled confidence in our shareholders about our future growth and sustained profitability.

Understanding the importance of geographical diversification, we have strategically pursued expansion into high-potential regions such as Japan, South Korea, and China. This move aims to mitigate market concentration risks and create a more balanced and resilient revenue stream, further solidifying our global presence.

Our focus on direct exports has been instrumental in cultivating stronger relationships with our customers. This direct engagement, which we value greatly, has enabled us to enhance service delivery, optimise our supply chain, and ensure higher customer satisfaction. These efforts remain central to our operational strategy and are key to driving continued success, with our

shareholders being an integral part of this journey.

Enhancing Operational Efficiency

Operational excellence continues to be a cornerstone of our strategy. Throughout the year, we have made significant progress in optimising our production processes, integrating automation, and adopting advanced technologies like Programmable Logic Controllers (PLCs). These initiatives have improved our process control and reinforced our commitment to maintaining the highest standards of quality.

Financial Performance Review

The financial performance of Par Drugs And Chemicals Limited in FY 2023-24 stands as a testament to our resilience and strategic direction. While we experienced a slight decrease in revenue from operations with ₹9,564.04 lakhs in FY24 compared to ₹9,574.88 lakhs in the previous year, our robust cost management and operational efficiency initiatives led to a significant increase in profit before tax, rising to ₹1,951.66 lakhs from ₹1,507.92 lakhs. This achievement highlights our ability to navigate market challenges effectively.

Our total assets also saw a notable increase from ₹8,886.79 lakhs to ₹10,161.11 lakhs, primarily driven by growth in non-current assets, particularly in Property, Plant, and Equipment. This reflects our ongoing commitment to strengthening our operational infrastructure. Furthermore, our equity position has solidified, with total equity rising to ₹8,563.20 lakhs from ₹7,123.83 lakhs, underscoring our robust financial health and providing a stable foundation for future growth. The earnings per

equity share improved to ₹11.78 from ₹9.21, demonstrating our ability to deliver value to our shareholders consistently.

Commitment to Environmental Responsibility

Environmental stewardship remains a key focus for us. Over the past year, we have intensified our efforts to reduce freshwater consumption and expand our solar power capacity, reinforcing our commitment to sustainable practices and minimising our environmental footprint.

Looking Forward

As we move into FY25, our objectives are to continue driving innovation, expand our market presence, and maintain our dedication to operational excellence. The upcoming greenfield expansion is set to significantly enhance our production capacity, positioning us to meet the market's growing demands and contribute meaningfully to economic and community development.

I sincerely thank our shareholders, customers, and employees for their unwavering support and trust. Together, we will continue to build on our successes, navigate the challenges ahead, and achieve new milestones in our ongoing journey.

Thank you for your continued confidence in Par Drugs And Chemicals Limited.

Warm regards,



Mr. Jignesh Vallabhkhani Savani
Executive Director & CEO

Milestones

Foundation and Early Growth

1982

Established as M/s PAR INORGANICS by Mr. V. J. Savani.

Foundation and Early Growth

1999

Incorporated as Par Drugs and Chemicals Limited.

Technological Advancements

2002

We introduced Drying Technology Upgradation (spin flash dryer) in India, which was a pioneering stride in our product segment.

Expansion and Certification

2005

We established our second manufacturing facility within Asia's largest chemicals corridor, GIDC Ankleshwar.

Product Development and Sustainability

2015

Introduced Sucralfate API, becoming its sole manufacturer in India.

Product Development and Sustainability

2017

Installed a 120kw Solar Power Generation Plant, reducing carbon emissions by 154,000 kgs annually.





Technological Advancements

2009

With the Fuel Technology modification changeover from furnace oil to Coal Fired Hot Air Generators, our cost effectiveness and profit improved tremendously.



Foundation and Early Growth

2010

We received the Good Manufacturing Practice (GMP) Certification from the esteemed World Health Organisation (WHO) for our Bhavnagar manufacturing facility.

Foundation and Early Growth

2012

Two new manufacturing blocks were added in Bhavnagar; one is for fine chemicals, and the other is dedicated to magnesium hydroxide.



Corporate Development

2018

Converted to a Public Limited Company.

Corporate Development

2019

Successfully launched an IPO, listing on the NSE SME EMERGE platform.



Corporate Development

2021

The equity shares of the Company listed and admitted to dealings on the Exchange (Capital Market Segment) with effect from September 16, 2021 pursuant to migration from SME Emerge to Main Board Platform

Our Products – APIs



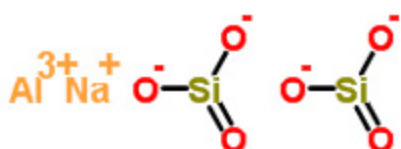
We are proud to be India's largest manufacturer of Magnesium Oxide, Sucralfate, and Magnesium Trisilicate. Our expertise and leadership in these products highlight our commitment to excellence and innovation in the pharmaceutical industry.

Par Drugs And Chemicals Limited is a leading manufacturer of high-quality Active Pharmaceutical Ingredients (APIs) that play a critical role in the pharmaceutical industry. These APIs are essential in formulating various medications to treat digestive disorders, neutralise stomach acid, and supplement essential minerals of the body. The company's portfolio includes a wide range of magnesium and aluminium-based compounds known for their efficacy and reliability. These products are used globally to produce antacids, dietary supplements, and other pharmaceutical formulations, ensuring the delivery of effective and safe treatments to patients. Par Drugs And Chemicals Limited is committed to maintaining the highest standards of quality and innovation in its product offerings, catering to the evolving needs of the healthcare industry.

API Products of Par Drugs And Chemicals Limited

- Magnesium Hydroxide
- Magnesium Oxide USP
- Sucralfate
- Almagate BP
- Dried Aluminium Hydroxide Gel
- Light Magnesium Carbonate
- Magaldrate
- 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

Our Products – Fine Chemicals



Par Drugs And Chemicals Limited remains dedicated to innovation and excellence, ensuring their fine chemicals meet the stringent standards for diverse applications.

Par Drugs And Chemicals Limited is also a prominent manufacturer of fine chemicals, constituting a significant portion of our product offerings. These fine chemicals are integral to various industrial and pharmaceutical applications, providing essential properties that enhance the performance and quality of the final products. The company's fine chemicals are known for their high purity, consistency, and reliability, making them a preferred choice for industries worldwide. Par Drugs And Chemicals Limited remains dedicated to innovation and excellence, ensuring their fine chemicals meet the stringent standards for diverse applications.

Fine Chemicals

- 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) [Increase C&D]

Our Business Model



How We Create Value for Customers

The company creates value for its customers by consistently delivering high-quality Active Pharmaceutical Ingredients (APIs) and fine chemicals. Their products are developed through rigorous R&D processes, ensuring they meet stringent regulatory and quality standards. The company focuses on innovation and product diversification to meet various industry needs, enhancing customer satisfaction and loyalty.



Our Resources

The company's resources include a highly skilled and diverse workforce, a state-of-the-art R&D facility, and advanced manufacturing plants equipped with best-in-class equipment and technology. These resources enable the company to innovate, maintain high production standards, and deliver high-quality products efficiently.



Revenue & Profit Formula

The revenue and profit formula generates income through selling APIs and fine chemicals, optimising production costs through advanced manufacturing processes, and maintaining a healthy balance sheet. Efficient operations, market expansion, product diversification, and strategic investments in R&D and sustainability initiatives drive profits.



Our Processes

The company's processes involve comprehensive capital allocation, advanced manufacturing techniques, sustainable natural resource utilisation, and continuous quality improvement. It implements automation and digitalisation in production, conducts rigorous R&D, and maintains vital CSR initiatives to support community and environmental sustainability.

Competitive Advantages

Diversified Portfolio

Par Drugs And Chemicals Limited offers a comprehensive range of products within the Antacid segment. The company's product portfolio includes 15 Active Pharmaceutical Ingredients (APIs) and 10 Fine Chemicals marketed domestically and internationally. This diverse portfolio enables the company to cater to various customer needs and maintain a strong market presence.

Robust Chemistry Capabilities

Par Drugs And Chemicals Limited prides itself on its strong chemistry capabilities, which are driven by a focus on research and development (R&D). The company's R&D efforts are centred on developing innovative processes and achieving significant improvements in production cost efficiencies. This commitment to continuous improvement and innovation positions Par Drugs And Chemicals Limited as a leader in the industry.

Cash Rich Company

Financial stability is a crucial strength of Par Drugs And Chemicals Limited. The company is net debt-free and consistently generates free cash flow, which allows it to fund expansions and invest in growth opportunities through internal accruals. This financial robustness allows the company to navigate economic uncertainties and invest in future growth.

Global Presence

Operating in both domestic and international markets, Par Drugs And Chemicals Limited exports its products to approximately 20 countries. These include Germany, the United Kingdom, Bangladesh, Iran, the United Arab Emirates, Indonesia, Japan, and South Korea. This extensive global reach helps the company to tap into various markets, diversify its revenue streams, and mitigate risks associated with regional market fluctuations.

Diversified Customer Base

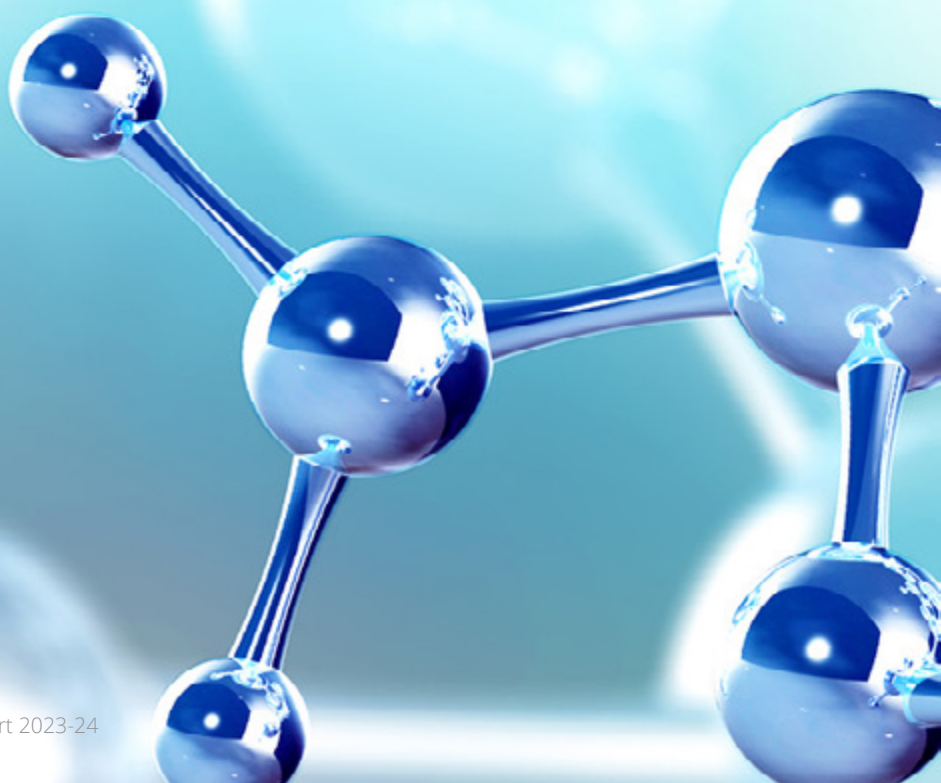
With a customer base exceeding 250 Customer worldwide, Par Drugs And Chemicals Limited has established a robust network of dealers and agents. This diversified customer base strengthens the company's market position and enhances its ability to withstand market volatility and capitalise on new business opportunities.

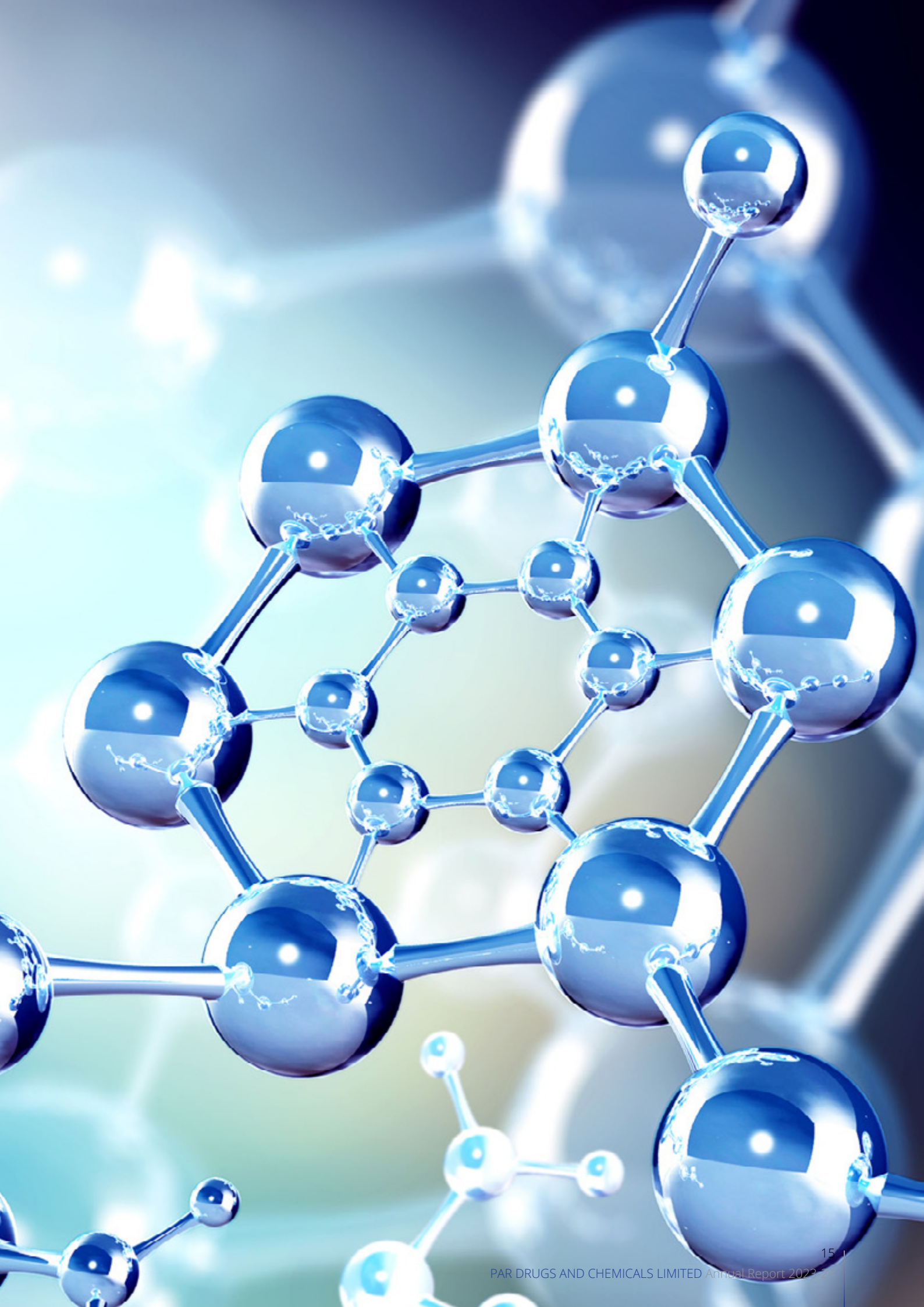
Experienced Promoters

The company is led by a team of highly qualified and experienced promoters and key managerial personnel. Their extensive knowledge and deep understanding of the APIs business environment are instrumental in driving the company's growth. The team's expertise and strategic vision enable Par Drugs And Chemicals Limited to organically scale up its operations and adapt to changing market dynamics effectively.

Established Sales and Distribution Network

Par Drugs And Chemicals Limited boasts a well-established sales and distribution network comprising more than 40 dealers. This network is further supported by 13 agents worldwide. The company's extensive distribution infrastructure ensures efficient product delivery and robust market penetration.





State-of-the-Art Manufacturing

Par Drugs And Chemicals Limited's manufacturing facility is in Chitra, Bhavnagar, Gujarat. This facility is equipped with state-of-the-art technology to ensure high-quality production of various chemical products. It has a total capacity of 9,700 MTPA and is divided into four distinct manufacturing blocks, each dedicated to a different product line.

Manufacturing Blocks

The manufacturing facility comprises four blocks, each tailored to specific chemical processes and products:



Block 1 APIs (Active Pharmaceutical Ingredients)

Block 2 Magnesium Hydroxide (API)

Block 3 Fine Chemicals

Block 4 APIs / Fine Chemicals

Manufacturing Process

The manufacturing process at Par Drugs And Chemicals Limited involves several critical steps, ensuring the production of high-quality chemicals. The process is meticulously controlled and monitored to adhere to industry standards.



Procurement of Raw Material

The first step in the manufacturing process is procuring raw materials such as magnesium chloride, caustic soda lye, soda ash, and aluminium chloride. All incoming raw materials are rigorously tested according to specifications to ensure they meet the required quality standards.



Reaction

Chemical reactions take place in a controlled environment between the raw materials. The quantity of raw materials and the addition of each material depend on the specific final product to be manufactured. This step is crucial to ensure the desired chemical transformations occur under optimal conditions.



Filtration

After the reaction, the slurry must be washed to remove any impurities. The washing process continues until the product complies with the prescribed limits as per specifications. Sulphates and chlorides are effectively washed off using treated water, ensuring that the final product is pure and meets quality standards.



Drying

Excess water from the product is evaporated at a controlled temperature during drying. This step is essential to obtain the final product in its desired powder form. The controlled environment ensures that the product maintains its chemical integrity and quality.



Quality Control and Sampling

Quality control and sampling are integral to the manufacturing process. The final product is sampled as per defined systems and norms. These samples are then sent to the Quality Control (QC) department for rigorous testing according to pharmacopoeia standards. This step ensures that the product meets all necessary quality and safety standards before it is released for packaging.



Packaging

The final step in the manufacturing process is packaging. The material is sent to the packaging department and packed in LDPE (Low-Density Polyethylene) and HDPE (High-Density Polyethylene) containers. These containers are then supplied to various parties, ensuring the product reaches its destination safely and securely.

Research & Development

Our primary focus is developing non-infringing processes and achieving process improvements and production cost efficiencies. We aim to deliver high-quality, cost-effective solutions to meet the pharmaceutical industry's evolving needs.

We are dedicated to developing processes that avoid patent infringement while maintaining high quality and efficacy. Our streamlined production methods are designed to reduce costs without compromising on product quality, ensuring we can offer our clients competitive pricing.

Our state-of-the-art laboratory in Chitra, Bhavnagar, has cutting-edge technology and modern equipment to support our research initiatives. With advanced tools, we are capable of precise measurement, thorough analysis, and robust testing. Our Particle Size and Surface Area analyser enable us to ensure optimal quality control and formulation. Additionally, our dedicated Microbiological Laboratory allows us to perform a wide range of microbiological tests, ensuring the safety and efficacy of our products.

Our R&D team is dedicated to driving innovation and delivering customised solutions to our clients. They focus on creating new and innovative pharmaceutical products, developing products tailored to the specific needs of our customers, and scaling up and optimising new technologies for better efficiency and effectiveness. They also support our production and quality assurance teams, helping improve quality, troubleshoot existing processes, and enhance products. Through value engineering, they develop cost-effective processes that enhance value without compromising quality.

We are dedicated to developing processes that avoid patent infringement while maintaining high quality and efficacy



02

Governance

Corporate Governance

Par Drugs And Chemicals Limited's corporate governance practices are integral to our business philosophy. Strong governance is essential for building a resilient and sustainable organisation that can deliver consistent value to all stakeholders. Through our dedicated committees, comprehensive policies, and unwavering commitment to ethical conduct, we ensure that the interests of our stakeholders are always at the forefront of our decision-making processes.



Risk and Risk Management

At Par Drugs And Chemicals Limited, risk management is a cornerstone of our corporate governance, designed to ensure sustainable growth and financial stability. We proactively manage potential threats by identifying, assessing, and mitigating risks and capitalising on opportunities. Our structured approach to risk management includes risk avoidance, reduction, retention, and transfer, ensuring compliance with regulatory requirements and adoption of best practices. The Board of Directors is pivotal in framing, implementing, and monitoring the risk management policy, participating in strategic decisions, and integrating risk management into board and annual reporting. This comprehensive framework ensures we are well-prepared to navigate uncertainties and drive continuous improvement.

Policies and Practices

We have implemented a comprehensive set of policies to guide our corporate governance practices. Key policies include the Code of Conduct to Regulate, Monitor, and Report Trading by Insiders, Policy on Related Party Transactions, Risk Management Policy, and Vigil Mechanism Policy. These policies ensure ethical conduct, compliance with legal requirements, and the protection of stakeholder interests. Additionally, our policies extend to the determination of material subsidiaries, the preservation of essential documents, and the well-being of our employees and stakeholders, including through our COVID-19 and CSR policies.

Governance Framework

At Par Drugs And Chemicals Limited, we uphold the highest standards of corporate governance to ensure transparency, accountability, and integrity in all our operations. Several key committees support our robust governance framework, including the Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee, and Corporate Social Responsibility (CSR) Committee. These committees oversee critical aspects such as financial reporting, director nominations, and socially responsible initiatives, ensuring our operations align with stakeholder interests.

Commitment to Stakeholders

Through these governance initiatives, Par Drugs And Chemicals Limited ensures that the interests of all stakeholders—shareholders, employees, customers, suppliers, and the community are balanced and protected. We are committed to maintaining transparency by providing accurate and timely information, promoting accountability by holding the board and management responsible for their actions, and fostering ethical conduct throughout the organisation. Our sustainable growth strategies are designed to create long-term value for all stakeholders, demonstrating our unwavering commitment to corporate governance.

Board of Directors



Mr. Falgun Vallabhbhai Savani
Chairman & Managing Director

Mr. Falgun Vallabhbhai Savani, aged 49, 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 23 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 our Company's business. His leadership abilities have been instrumental in leading the core team of our Company.

AC



Mr. Jignesh Vallabhbhai Savani
Executive Director & CEO

Mr. Jignesh Vallabhbhai Savani, aged 46 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 23 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.

SRC



Mr. Pravin M. Bhayani
Independent Director

Mr. Pravin Manjibhai Bhayani, aged 52 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 commerce graduation i.e. B. Com. from Gujarat University. He also holds Post Qualification degree in Information System Audit (DISA) from ICAI. He has 25 years of vast experience in the field of Audit, Accounts, System Implementation, Cost Review, Income-tax, GST and Finance.

AC^C SRC^C NRC^C CSR^C



Mr. Ghanshayambhai Bhagvanbhai Savani - Whole Time Director

Mr. Ghanshayambhai Bhagvanbhai Savani, aged 54 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 33 years of experience in the API Industry. His expertise and business acumen helped in the sustainable growth of the Company.



Mrs. Krishna Mitulbhai Shah Independent Director

Mrs. Krishna Mitulbhai Shah, aged 45 years, is an Independent Director of our Company. She was originally appointed as Additional Independent Director of the Company on January 17, 2019 and regularized as Independent Director of the Company on February 09, 2019. She holds a Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai. She has successfully qualified online proficiency for Independent Director's Data bank on February 1, 2022 from Indian Institute of Corporate Affairs.



Mrs. Kajal Chintanbhai Vaghani Independent Director

Mrs. Kajal Chintanbhai Vaghani, aged 44 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 20 years in Automobiles Industry. She has successfully qualified online proficiency for Independent Director's Data bank on April 25, 2022 from Indian Institute of Corporate Affairs.

AC SRC NRC CSR

AC

Key Managerial Personnel



Mrs. Bintal Bhaveshkumar Shah
Independent Director

Mrs. Bintal Bhaveshkumar Shah, aged 48 years, is an Independent Director of our Company. She was appointed as an Additional Independent Director of the Company on September 28, 2020 and regularised for five year with effect from 29th September, 2022 at AGM of the Company . She holds a Bachelor's degree in Commerce from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai. She has successfully qualified online proficiency for Independent Director's Data bank on July 14, 2022 from Indian Institute of Corporate Affairs.



Mrs. Nayna Jignesh Savani
Non-Executive Director

Mrs. Nayna Jignesh Savani, aged 45 years, is a Non- Executive Director of our Company. She was originally appointed as Additional Director of the Company on February 02, 2018 and regularized as Non-Executive Director of the Company on September 29, 2018. She holds Bachelor degree in Commerce from Bosamiya Arts & Commerce Collage, Jetpur, affiliated with Saurashtra University.



Mr. Chintan Pratapbhai Chauhan
Chief Financial Officer

Mr. Chintan Pratapbhai Chauhan, aged 42 years, is Chief Financial Officer of the Company. He has been appointed as Chief Financial Officer of our Company w.e.f. November 26, 2018. He holds Bachelor's degree in Commerce from M. J. College of Commerce, Bhavnagar, affiliated with Bhavnagar University. He has an experience of about 19 years in the finance field. He is responsible for handling the financial operations of the Company.



Mr. Sanket Bhupendrabhai Trivedi
Company Secretary and Compliance Officer

Mr. Sanket Bhupendrabhai Trivedi, aged 34, is a qualified Company Secretary and an Associate member of the ICSI, with seven years of experience in Company Secretarial, Legal, and Compliance fields. He has been handling our corporate secretarial functions since his appointment on September 6, 2018. He holds a Bachelor's degree in Commerce from B. J. Vanijya Mahavidyalaya, affiliated with Sardar Patel University, and a Bachelor of Legislative Law (LLB) from Sheth H. J. Law College, affiliated with Maharaja Krishnakumarsinhji Bhavnagar University.

NRC

CSR

Board Committees

AC Audit Committee

SRC Stakeholder Relationship Committee

NRC Nomination and Remuneration Committee

CSR Corporate Social Responsibility Committee

C Chairman

How We Create Value



Financial Capital
Description of the Capital
Funds available to the company, including debt and equity
What We Do
Efficient capital allocation, cost management, strategic investments
Outcomes in FY24
Achieved robust growth through strategic financial management, driving profitability and enhancing shareholder value



Manufactured Capital
Description of the Capital
Physical assets and infrastructure used in production
What We Do
Regular maintenance, technological upgrades, expansion of manufacturing capacity
Outcomes in FY24
Maintained operational excellence with continuous improvements in infrastructure and technology.



Intellectual Capital
Description of the Capital
Intangible assets like trademarks, and proprietary processes
What We Do
Investment in R&D, development of new products, and process improvements
Outcomes in FY24
Strengthened innovation capacity through focused R&D efforts.



Human Capital
Description of the Capital
Skills, knowledge, and expertise of employees
What We Do
Employee training programs, competitive compensation packages, talent acquisition strategies
Outcomes in FY24
Expanded workforce capabilities through targeted training and development, fostering a skilled and adaptable team for future growth



Relationship Capital
Description of the Capital
Relationships with stakeholders, including customers, suppliers, and communities
What We Do
Building strong customer relationships, supplier partnerships, and community engagement initiatives
Outcomes in FY24
Enhanced community and stakeholder engagement, building stronger relationships and trust through proactive collaboration and meaningful CSR initiatives



Natural Capital
Description of the Capital
Natural resources used in the production process
What We Do
Implementation of sustainable practices, efficient use of resources, and waste reduction strategies
Outcomes in FY24
Implemented eco-friendly practices and reduced environmental impact, advancing our commitment to sustainability and resource efficiency

03

**Performance &
Strategies**

Operating Context

The global pharmaceutical market has grown substantially over the past two decades, rising from a market revenue of USD 390 billion in 2001 to an impressive USD 1.607 trillion in 2023. This consistent growth trajectory highlights the increasing demand for pharmaceutical products worldwide, driven by population growth, rising prevalence of chronic diseases, advancements in medical technology, and increased healthcare spending.

The market saw significant jumps in revenue during specific periods, reflecting key developments in the industry, such as introducing new blockbuster drugs and expanding pharmaceutical companies into emerging markets. The overall trend indicates a robust and resilient pharmaceutical sector poised for continued expansion. The Pharmaceutical market includes APIs and Formulations.

According to various market studies, the global Active Pharmaceutical Ingredient (API)

market was valued at approximately USD 234.7 billion in 2023. The market is projected to grow at a compound annual growth rate (CAGR) of 5.75%, potentially reaching USD 357 billion by 2032. The API market is segmented into synthetic and biotech APIs, with synthetic APIs accounting for the largest market share due to their extensive use in various medications.

India, a prominent pharmaceutical manufacturer and exporter, has reached a significant milestone,

with its exports hitting USD 27.9 billion in FY24. This achievement underscores India's pivotal role as a global pharmaceutical hub, driven by its extensive production capabilities and the high quality of its medicines.



Our Strategies

Expand the Product Portfolio:

Par Drugs And Chemicals Limited aims to leverage its robust R&D capabilities to expand its product portfolio significantly. By penetrating various application segments and adding high-value products, the company will enhance its market presence and achieve substantial profitability through value addition. This strategic expansion will position Par Drugs And Chemicals Limited as a leader in innovative chemical solutions, meeting diverse industry demands and driving growth.

Continuous Research and Development Using Innovation:

Innovation is at the heart of Par Drugs And Chemicals Limited's growth strategy. The company will establish a state-of-the-art R&D centre dedicated to developing new Active Pharmaceutical Ingredients (APIs) in various therapeutic segments, including anti-depressants, anti-diabetics, and anti-fungal treatments. This continuous investment in R&D will ensure that Par Drugs And Chemicals Limited remains at the forefront of pharmaceutical innovation, offering cutting-edge solutions to meet evolving healthcare needs.

Exploring New Geographical Areas:

Par Drugs And Chemicals Limited is committed to exploring new geographical markets to fuel its sales growth. The company strategically targets high-potential markets such as Japan, South Korea, and China. By entering these regions, Par Drugs And Chemicals Limited will broaden its market reach, tap into new customer bases, and strengthen its global footprint. This geographical diversification will mitigate market risks and ensure sustained revenue growth.

Expansion:

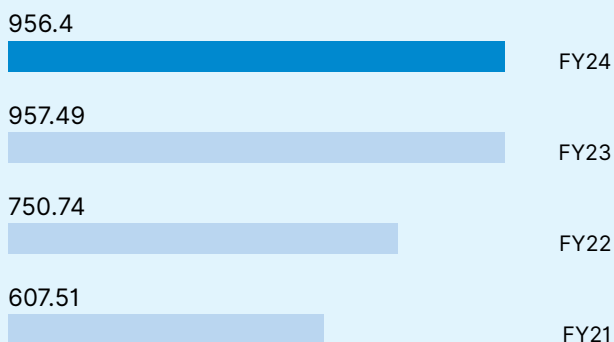
Capitalising on its expanding product portfolio, Par Drugs And Chemicals Limited plans a greenfield expansion over the next two to three years. This strategic move will involve new facilities to increase production capacity and meet growing market demands. The expansion will enhance Par Drugs And Chemicals Limited's operational capabilities and create new job opportunities, contributing to economic growth and community development.

Direct Exports:

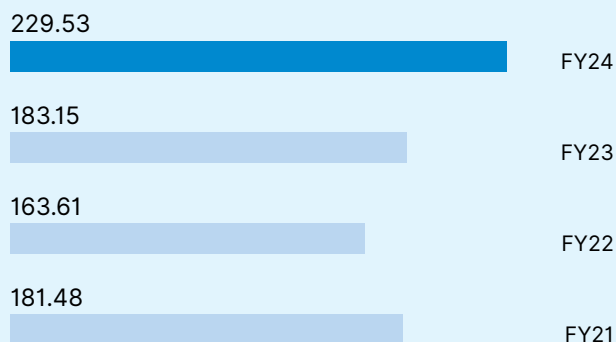
Par Drugs And Chemicals Limited plans to increase its direct export operations to enhance growth and customer relations. By serving customers directly, the company aims to build stronger, more personalised relationships and improve service efficiency. This approach will boost customer satisfaction and streamline the supply chain, reducing costs and increasing profitability.

Financial Highlights

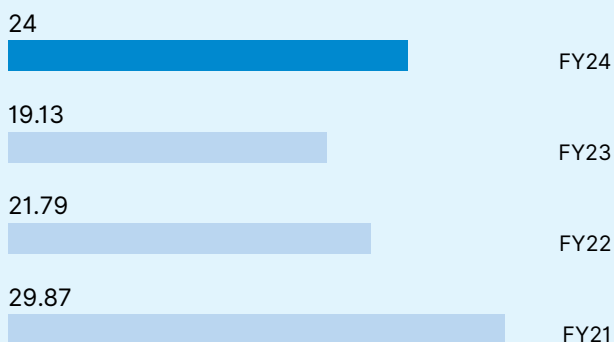
Revenue



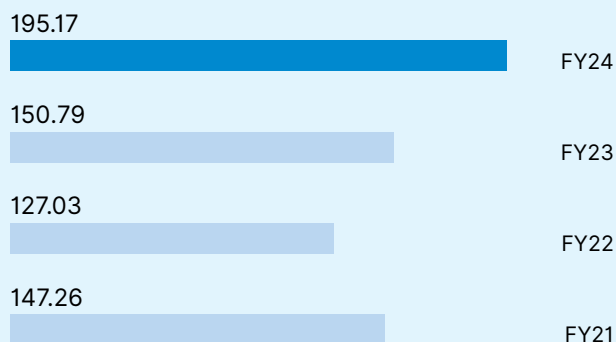
EBITDA



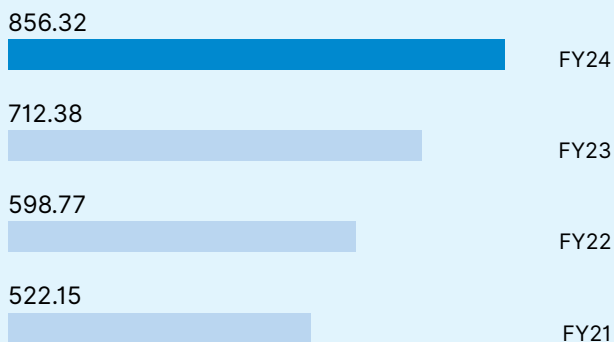
EBITDA margin (in %)



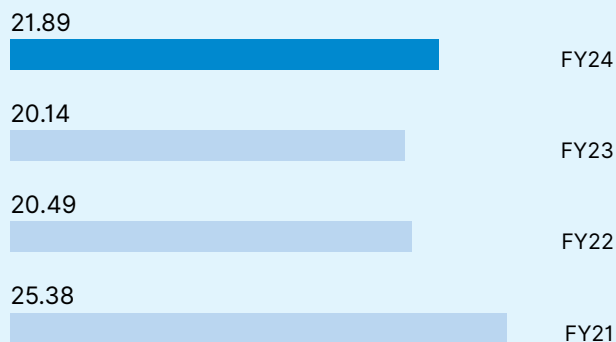
PBT



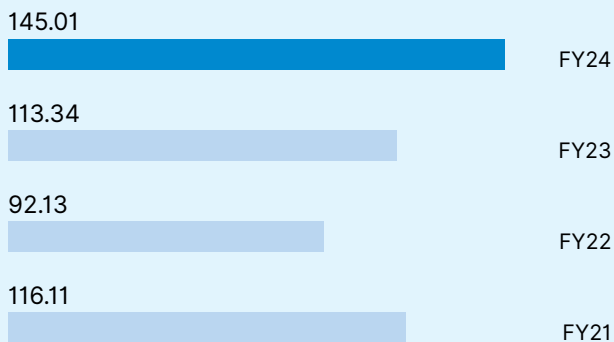
Net worth



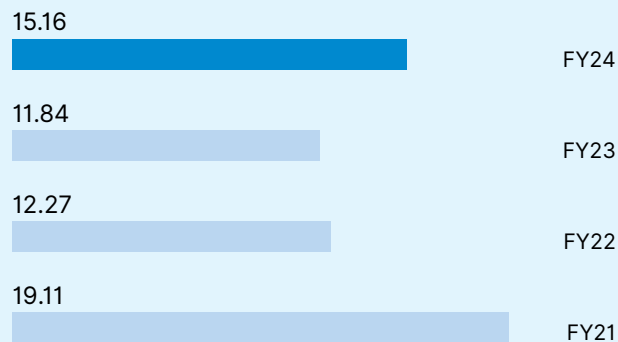
ROCE (in %)



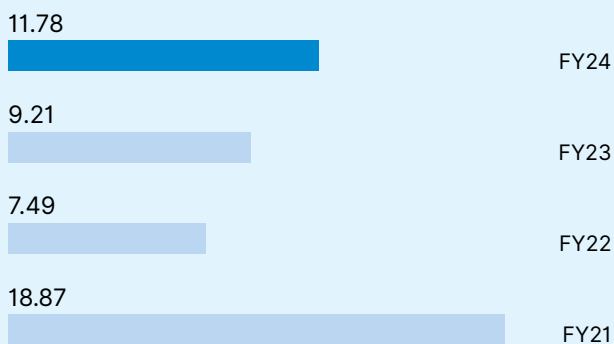
PAT



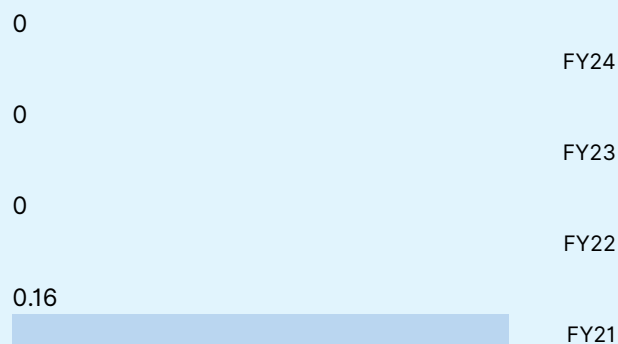
PAT margin (in %)



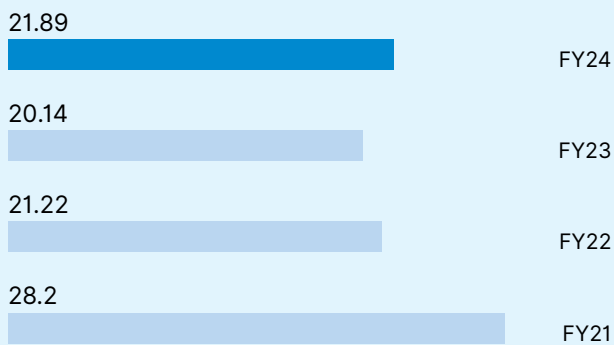
EPS



Net debt to equity ratio (in times)



ROE (in %)



* million

Progress on Strategic Intent

R&D Capabilities

Par Drugs And Chemicals Limited has significantly improved processes, particularly for the Magaldrate USP product. This showcases the company's commitment to continuous enhancement and operational excellence. A significant milestone was achieved by establishing a recognised R&D centre by the Department of Scientific and Industrial Research (DSIR), underscoring the company's dedication to innovation and scientific advancement. Additionally, the company has made substantial progress in achieving cost efficiencies, especially in producing Magaldrate and Dried Aluminium Hydroxide, demonstrating effective cost management strategies.

Market Expansion

The company is actively exploring new geographical markets and export opportunities. While concrete results are still forthcoming, these efforts highlight the company's strategic intent to expand its global footprint and reach new customers.

Innovation and Growth

Par Drugs And Chemicals Limited is diligently working towards achieving a minimum of 20% growth in top-line revenue while enhancing margins. This ambitious target reflects the company's focus on sustainable financial growth. The company is also pursuing continuous technological advancements and product innovations within its current product portfolio, maintaining a competitive edge in the market.

Customer Relationships

The company has successfully built enduring customer relationships, reflecting its commitment to customer satisfaction and loyalty. These strong relationships are a testament to the company's ability to understand and meet customer needs, expanding business opportunities.

Operational Efficiency

Operational efficiency has been a key area of focus. The production team is continuously working on introducing new standards to optimise production time without compromising product quality. Gradual implementation of automation in production processes is underway, with positive results already evident. Investment in advanced technologies such as Programmable Logic Controllers (PLCs) for better process control and efficiency, as well as the adoption of advanced instruments like Infrared Spectroscopy (IR), Gas Chromatography (GC), and Atomic Absorption Spectroscopy (AAS) to enhance in-house quality control procedures, are in progress. A customized SAP system has also been implemented to support robust quality management systems and maintain high-quality standards.

Manufacturing Capacity

The company aims to maintain and enhance its manufacturing facility with advanced machinery and handling equipment to ensure seamless and efficient production processes. Adherence to strict safety norms and in-house testing for raw materials and finished products ensures safety and quality in the production environment.

Environmental Responsibility

Par Drugs And Chemicals Limited is committed to environmental responsibility, with the production team actively working on reducing freshwater consumption as part of responsible water usage practices. The company is also expanding its solar power capacity by adding a 130 KW Solar Power Plant to the 119 KW installation, pending government approval.

Esteemed Clientele

Our commitment to quality and reliability has earned us the trust of renowned companies. Our diverse customer base reflects the high standards we have for our manufacturing processes.

Human Capital

Par Drugs And Chemicals Limited's key HR priorities are designed to enhance our human capital and foster a thriving workplace environment. Talent acquisition and recruitment are pivotal in ensuring we find and hire individuals who possess the necessary skills and align with our organisational culture.



Employee engagement and retention are equally crucial as we strive to create a positive work environment where our staff are motivated, satisfied, and committed to long-term employment with us. We are dedicated to training and development, providing continuous opportunities for our employees to enhance their skills and capabilities. Moreover, we are deeply committed to promoting diversity, equity, and inclusion, ensuring a workplace that values and respects all employees, making everyone feel included and appreciated.

HR Vision and Mission

Our vision is to become a leader in Human Resource Management, demonstrating excellence in providing reliable HR activities consistent with high-quality standards. We aim to nurture our employees' passion for learning and continuous improvement while adopting global HR best practices and technologies.

Our mission is to promote a culture of trust, tolerance, knowledge sharing, and teamwork. We are committed to maintaining a professional environment founded on fairness, equity, and mutual respect. Our goal is to deliver the most efficient and innovative HR management practices to ensure our company's development, enrichment, and success.

Training Initiatives

Our training initiatives are structured to ensure comprehensive employee development. The orientation and induction training programme is conducted immediately after an employee joins, lasting seven days. This programme includes essential documentation, medical checks, and the provision of the company induction manual.

The department heads organise on-the-job training and follows WHO-GMP SOP guidelines,

ensuring practical and relevant skill enhancement. Evaluation and re-training are integral to our approach, with employees tested at the end of training sessions and re-training provided as necessary.

In-house training focuses on Current Good Manufacturing Practices (cGMP) and product conformity, ensuring our workforce remains well-versed in essential operational standards. Training schedules are designed to ensure that each section of our workforce receives training at least once every three months.

Key Leadership Initiatives

Leadership development at Par Drugs And Chemicals Limited involves strengthening and adapting existing leadership styles to various situations. Supervisory skills are enhanced to build high-performing teams, and adaptability is fostered to develop resilience and agility in navigating uncertainty.

Key Initiatives for Retaining and Acquiring Talent

Our employee development programmes are designed to nurture talent within the organisation, providing growth opportunities through comprehensive training and development. We offer competitive compensation and benefits, conducting regular benchmarking studies to ensure our salary levels are attractive within the industry. This includes health insurance, retirement plans, wellness programmes, and flexible work arrangements.

Employee engagement and recognition programmes are central to our approach, fostering a positive work environment through recognition initiatives and regular feedback sessions. These initiatives help boost morale, strengthen team cohesion, and increase retention rates.

Key HR Initiatives

The employee wellness programme at Par Drugs And Chemicals Limited promotes a healthy work-life balance through initiatives such as yoga sessions, mental health workshops, and healthy eating awareness seminars. These efforts aim to reduce stress, improve morale, and boost productivity.

Community Volunteering

In our commitment to community engagement, we organized a blood donation camp in collaboration with the Indian Red Cross Society, Bhavnagar. This initiative saw 11 employees participate, reflecting our dedication to contributing to the community and saving lives.

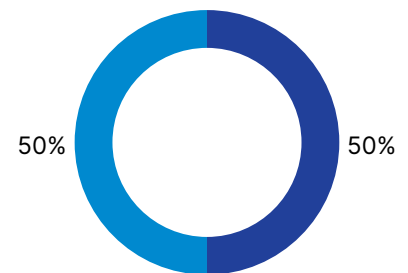


Knowledge Management

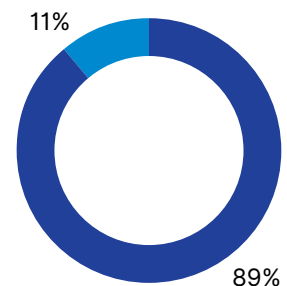
We ensure effective knowledge management through one-on-one meetings between HR and employees, facilitating clear communication of top management decisions and building strong communication channels within the organisation.

Diversity and Inclusion

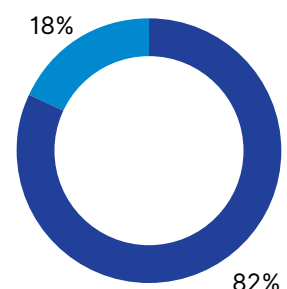
Board of Directors



Senior Management



Employee

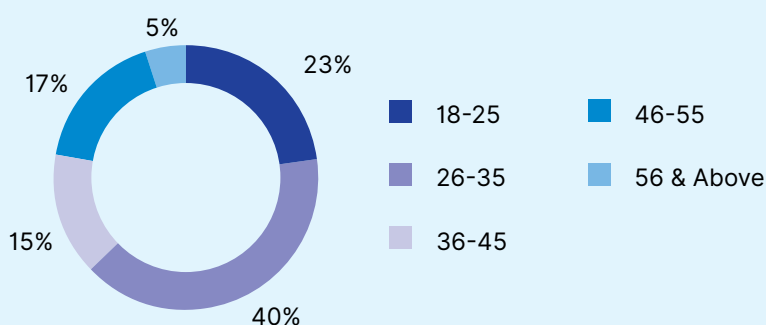


■ Male ■ Female

Average Age of Employees

Category	Average Age
Board of Directors	48
Senior Management	45
Staff	34
Total Employees	122

Age Group



Supporting New Life: The Mother's Milk Bank Initiative



Par Drugs And Chemicals Limited's Commitment to CSR

At Par Drugs And Chemicals Limited, Corporate Social Responsibility (CSR) is not merely about compliance or philanthropy; it is about integrating social and environmental considerations into every aspect of our business. We are committed to initiatives that balance economic growth with a profound responsibility towards society, and one of our most impactful endeavours is the "Mother's Milk Bank" project in collaboration with the Rotary Club of Bhavnagar.

The Lifeline for Newborns: Mother's Milk Bank

The Mother's Milk Bank is dedicated to providing lifesaving breast milk to infants in need, particularly those born prematurely or whose mothers face lactation challenges. Breast milk offers unparalleled nutritional and immunological benefits, essential for vulnerable infants' healthy development and recovery. By supporting this initiative, we are helping these newborns thrive and allowing mothers to support each other uniquely and meaningfully.

Strategic Location and State-of-the-Art Facilities

This project, Rotary Amrutalaya—A Mother's Milk Bank, is located at Ghevariya Hospital in Bhavnagar. It is the first facility of its kind in the Saurashtra region of Gujarat and is equipped with state-of-the-art technology. The central location makes it accessible to many NICUs (Neonatal Intensive Care Unit) and multispecialty hospitals, providing vital support to families across Bhavnagar and beyond.

Motive of CSR Project

The goal is to improve the health outcomes of vulnerable infants while fostering a sense of community involvement and support. It will help a lot in decreasing new born death rate, shorten their hospital stay and thus reduce financial burden on the family. At present approximately 200 pre- mature deliveries per month in Bhavnagar District of which there approximately 10% death rate (approx. 20 deaths per month). This leads to 250 deaths of pre mature babies per year. Large number of these deaths can

be prevented if they are provided mothers milk. Establishing a human milk bank has a positive impact on the health of vulnerable infants, providing them with essential nutrients, antibodies, and other bioactive factors crucial for their development and well-being.

In gist, Insufficiency of breast milk is very common nowadays and the incidence is increasing rapidly. There are a number of reasons for it. Children born prematurely with low birth weight are kept in NICU. Mothers milk can do wonders for

them. If these kids are given powder milk, it can lead to indigestion, infection, allergy and malnutrition, leading to many complications including death. If these kids are given mother's milk, they recover fast, gain weight and it shortens NICU stay. Any healthy mother can donate her milk as the natural milk production is always in excess as compared to the need of her child. In fact by donating excess milk, it can avoid breast engorgement and infective complications.



Impact and Achievements

Since the project's inception, the Mother's Milk Bank has made significant strides. Till August, 2024, donations from 12 mothers have collected 6,890 ml of breast milk, of which 3,740 ml has been donated to five newborns. These efforts are not only helping to reduce the neonatal mortality rate. Still, they are shortening hospital stays and lessening the financial burden on families, particularly those with premature infants requiring extended care.

A Sustainable Future

Our commitment to this project reflects our broader goal of enhancing community health and well-being. The Rotary Club of Bhavnagar plays a crucial role in overseeing the ongoing management and sustainability of the Mother's Milk Bank. With their continued engagement and support, this initiative is poised to remain a lasting and impactful solution for infant care in the region, ensuring that every baby has access to the nutrition they need for a healthy start in life.

Corporate Information

Board of Directors

Mr. Falgun Vallabhbhai Savani
Chairman & Managing Director

Mr. Jignesh Vallabhbhai Savani
Executive Director & CEO

Mr. Ghanshayambhai Bhagvanbhai Savani
Whole-Time Director

Mr. Pravin Manjibhai Bhayani
Independent Director

Mrs. Kajal Chintanbhai Vaghani
Independent Director

Mrs. Krishna Mitulbhai Shah
Independent Director

Mrs. Nayna Jignesh Savani
Non - Executive Director

Mrs. Bintal Bhaveshkumar Shah
Independent Director

Chief Financial Officer

Mr. Chintan P. Chauhan
E-mail: cfo.par@pardrugs.com

Company Secretary & Compliance Officer

Mr. Sanket B. Trivedi
E-mail: cs.sanket@pardrugs.com

Statutory Auditor

Sarupria Somani & Associates
Chartered Accountants
314, 3rd Floor, Imperial Arc,
Opp. Shamaldas College Gate,
Waghawadi Road,
Bhavnagar-364002.
E-mail: somanibvn@gmail.com

Secretarial Auditor

DG PATEL & ASSOCIATES
Practicing Company Secretaries
Mr. Dip G. Patel, Company Secretary
204, Imperial Arc, Opp. University
Gate, Waghawadi Road,
Bhavnagar - 364002, Gujarat
E-mail: csdgp Patel@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

Factory Unit

333/1, G.I.D.C. Industrial Estate,
Phase-II, Chitra, Bhavnagar-
364004
Phone No.: 0278-2446342 /
02782447013

Banker

Kotak Mahindra Bank Limited
21, Vicenza House, Friends Society,
Alkapuri, Vadodara -390007
Landline : 02656620351

Registered Office

815, Nilamber Triumph,
Gotri Vasna Road,
Vadodara-390007, Gujarat, India
Phone No.: 0265-2991021, 0265-
2991022
E-mail: investors@pardrugs.com
Website: www.pardrugs.com

General Information

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



Par Drugs And Chemicals Limited

CIN: L24117GJ1999PLC035512

Registered office: 815, Nilamber Triumph, Gotri Vasna Road,
Vadodara-390007, Gujarat, India

Phone no.: 0265-2991021, 0278-2447013

Website: www.pardrugs.com Email: investors@pardrugs.com

NOTICE OF 25TH ANNUAL GENERAL MEETING TO MEMBERS

Notice is hereby given that the Twenty Fifth (25th) Annual General Meeting ("AGM") of the Members of **PAR DRUGS AND CHEMICALS LIMITED** ("the Company") will be held on **Saturday, 21st Day of September, 2024 at 11:00 A.M.** at Hotel Tara Suns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India to transact the following business to transact the following business:

Ordinary Business:

Item No. 1: To receive, consider and adopt the Audited Standalone Financial Statements of the company for the financial year ended on 31st March, 2024 together with the report of the Board of Directors and Auditors thereon.

Item No. 2: To appoint a Director in place of Mr. Ghanshyam Bhagvanbhai Savani, Whole-time Director (DIN: 03055941), who retires by rotation and being eligible offer himself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, **M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No.: 010674C)** be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of this 25th Annual General Meeting till the conclusion of the next 26th Annual General Meeting of the Company to be held for the F.Y. 2024-25 at an annual remuneration / fees of ₹ 2,25,000/- (Rupees Two Lakh Twenty Five Thousand only) plus out of pocket expenses and taxes as applicable from time to time with the power to the Board/Audit Committee to alter and vary the terms and conditions of appointment, revision including upward revision in the remuneration during the remaining tenure."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or

expedient for implementation of the above resolution and matters connected therewith or incidental thereto including but not limited to delegation of all or any of the powers herein conferred to any Committee or any director(s) or any other officer(s) of the Company, or to settle any questions, difficulties or doubts that may arise with regard to the above resolution, without being required to seek any further clarification, consent or approval of the Members."

Special Business:

Item No. 4: To fix remuneration payable to Mr. Pravin Manjibhai Bhayani (DIN: 08332851) as an Independent Director of the Company and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

"RESOLVED FURTHER THAT pursuant to the provisions of Section 149(9), 197(3) and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment/ modification or re-enactment thereof) and pursuant to the approval and recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to pay remuneration of ₹ 24 Lakhs (Rupees Twenty Four Lakhs Only) per annum, to Mr. Pravin Manjibhai Bhayani (DIN: 08332851) Independent Director of the Company, for the period of one year w.e.f. 1st October, 2024 to 30th September, 2025, payable on a quarterly, half yearly or yearly basis, as decided by the Board of Directors of the Company.

"RESOLVED FURTHER THAT such remuneration shall exclude all the fees payable to Mr. Pravin Manjibhai Bhayani for attending the meetings of the Board and Committees of the Board and also exclude the expenses incurred/reimbursement of expenses for attending the meetings of the Board, the Committees, Shareholders and such other meetings as organized by the Company from time to time.

"RESOLVED FURTHER THAT any present Directors of the company be and are hereby authorized to do sign/

digitally sign all such necessary forms, documents, papers, and to do all such acts, matters, deeds as may be required under the Companies Act, 2013 and rules made there under to give effect to the aforesaid resolution and any matters consequential thereto.”

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)

Place: Bhavnagar

Date: August 17, 2024

Par Drugs And Chemicals Limited

CIN: L24117GJ1999PLC035512

Registered office: 815, Nilamber Triumph,

Gotri Vasna Road,

Vadodara-390007, Gujarat, India

Phone no.: 0265-2991021, 0278-2447013

Website: www.pardrugs.com

Email: investors@pardrugs.com

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED, MUST BE RECEIVED BY THE COMPANY, DULY FILLED, STAMPED AND SIGNED, AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable, issued on behalf of the nominating organization.

- 2.** A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
- 3.** Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 4.** The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 setting out facts concerning the business under Item No. 3 and 4 of the Notice is annexed hereto.
- 5.** Brief Profile of Directors seeking re-appointment at the Annual General Meeting is provided at **Annexure-A** to this Notice as prescribed under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.
- 6.** The Register of Members and Share Transfer Books shall remain closed from **Saturday, 14th September, 2024 to Saturday, 21st September, 2024** (both days inclusive) for the purpose of annual general meeting.
- 7.** In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- 8.** SEBI vide its circular dated June 8, 2018 amended regulation 40 of the Listing Regulations pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form. Members holding the shares in physical form are requested to

dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode.

- 9.** Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
- 10.** Members who hold shares in de-materialization form are requested to bring their demat/depository account number for identification.
- 11.** In case of joint holders attending the Meeting only such joint holder who is higher in the order of names will be entitled to vote.
- 12.** All the Relevant documents referred to in the accompanying notice are open for inspection by the members at the registered office of the Company on all working days, between 11:00 a.m. to 5:00 p.m. up to the date of meeting and shall be available at the website of our Company during the AGM at www.pardrugs.com
- 13.** Members desirous of obtaining any information concerning accounts or operations of the Company are requested to address their questions in writing to the Company at least **7 days before** the date of the Meeting through email on investors@pardrugs.com so that the information required may be made available at the Meeting and the same will be replied by the Company suitably.
- 14.** Members holding shares in dematerialized mode are requested to intimate all changes with respect to their change of address, e-mail address, change in name etc. to their respective Depository Participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the members.
- 15.** Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime India Private Limited.
- 16.** Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form-SH 13 prescribed by the Government can be obtained from the Share Transfer Agent or may be downloaded from the website of the Ministry of Company Affairs.
- 17.** Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited, for consolidation into a single folio.
- 18.** Non-Resident Indian Members are requested to inform Link Intime India Private Limited, immediately of:

- a) Change in their residential status on return to India for permanent settlement.
- b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

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

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

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

21. To support the "Green Initiative in Corporate Governance" taken by the Ministry of Corporate Affairs by allowing paperless compliance and stating that service of notices / documents including Annual Report can be effected by sending the same through

electronic mode to the registered e-mail addresses of the shareholders.

The notice of the 25th AGM along with the Annual Report 2023-24 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 2023-24 will also be available on the Company's website at www.pardrugs.com, websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and on the website of RTA at <https://instavote.linkintime.co.in/>. Members who would like to receive such notices / documents in electronic mode in lieu of physical copy and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail addresses:

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

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

22. The route map showing directions to reach the venue of the 25th AGM is annexed.

E-VOTING (VOTING THROUGH ELECTRONIC MEANS):

- 1) In compliance with the provisions of section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 as amended from time to time, Standard 8 of the Secretarial Standards on General Meetings and in compliance with Regulation 44 of the SEBI Listing Regulations, the Company is pleased to offer the facility of voting through electronic means. The Company has made necessary arrangements with Link Intime India Private Limited (RTA) to facilitate the members to cast their votes electronically, ("remote e-voting").
- 2) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut-off date Friday, September 13, 2024**, shall be entitled to avail the facility of remote e-voting. Persons who are not members as on the cut-off date should treat this notice for information purpose only.

- 3) **Remote e-voting will commence at 09:00 A.M. on Tuesday, 17th September, 2024 and will end at 5:00 P.M. on Friday, 20th September, 2024**, then remote e-voting will be blocked by RTA.
- 4) Any person who have acquired shares of the company and becomes member of the company after the dispatch of the Annual Report and holding shares as on the cut-off date may obtain the User Id and Password by referring e-voting instructions given in the notice which is uploaded on our website at www.pardrugs.com and RTA website <https://instavote.linkintime.co.in>
- 5) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- 6) The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date.
- 7) The Company has appointed CS Dip G. Patel, Proprietor of DG Patel & Associates, Practicing Company Secretary (Membership No. FCS: 10533; COP No: 13774), to act as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

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

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

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

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

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

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be redirected to NSDL depository website wherein you can see "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 - If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password

- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility.

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside

Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

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

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

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

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

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

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

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

**Shareholders holding shares in NSDL form, shall provide ‘D’ above*

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘SHARE HOLDER’ tab.
4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘Submit’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.

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

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under "Corporate Body/ Custodian/ Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
 - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
 - b. 'Investor's Name - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may

contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

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

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

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:

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

- o Click on ‘Login’ under ‘Corporate Body/ Custodian/ Mutual Fund’ tab and further Click ‘forgot password?’
- o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

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

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

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

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

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

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

Place: Bhavnagar
Date: August 17, 2024

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

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

ITEM NO. 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 **M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No.: 010674C)**, 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 ₹ 2,25,000/- (Rupees Two Lakh Twenty Five Thousand only). On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of **M/s. Sarupria Somani & Associates**, Chartered Accountants for the financial year 2024-25 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 **M/s. Sarupria Somani & Associates** to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. Sarupria Somani & 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 FIX REMUNERATION PAYABLE TO MR. PRAVIN MANJIBHAI BHAYANI (DIN: 08332851) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

Mr. Pravin Manjibhai Bhayani (DIN: 08332851) was first appointed as an Independent Director of the company pursuant to Section 149 of the Companies Act, 2013 and Rules made thereunder on 17th January, 2019 and then reappointed for a second term of five consecutive years w.e.f. 17th January, 2024 to 16th January, 2029 not liable to retire by rotation.

Brief profile of the above Independent Director is as under:

Name of Director	Pravin Manjibhai Bhayani
Date of Birth	22/09/1971
Date of Appointment on the Board	17/01/2019
Expertise in specific functional area	He has 25 years of vast experience in the field of Audit, Accounts, System Implementation, Cost Review, Income-tax, GST and Finance.
Qualifications	FCA (Chartered Accountant), DISA (ICAI), B.Com
Directorships in Public Limited Companies	NIL
Shareholding of Director in the Company	NIL
Membership of Committees in Public Limited Companies:	
Audit Committee	NIL
CSR Committee	NIL
Nomination and remuneration committee	NIL

Mr. Pravin Manjibhai Bhayani, aged 52 years, 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 commerce graduation i.e. B. Com. from Gujarat University. He also holds Post Qualification degree in Information System Audit (DISA) from ICAI. He has 25 years of vast experience in the field of Audit, Accounts, System Implementation, Cost Review, Income-tax, GST and Finance.

Mr. Pravin Manjibhai Bhayani has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA'). Mr. Pravin Manjibhai Bhayani is exempt from the requirement to undertake online proficiency self-assessment test conducted by IICA.

In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Pravin Manjibhai Bhayani has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Pravin Manjibhai Bhayani has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circular dated June 20, 2018 issued by the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

In the opinion of the Board, Mr. Pravin Manjibhai Bhayani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and the SEBI Listing Regulations for appointment as an Independent Director of the Company and that the director is independent of the management.

Section 197 of the Companies Act, 2013 ("Act"), as amended, permits payment of remuneration to Director(s) who is neither Managing Director nor Whole-time Director, in excess of 1% of the net profits of a company, if there is a managing or whole-time director or manager; and in excess of 3% of the net profits of a company, if there is no managing or whole-time director or manager, by obtaining approval of the Shareholders in general meeting by passing a special resolution. Further, the Companies (Amendment) Act, 2020 effective March 18, 2021 inter alia provides that if, in any financial year, a company has no profits or its profits are inadequate, the company shall not pay to its Non-Executive Directors, including an Independent Director, any remuneration except in accordance with the provisions of Schedule V of the Act. The remuneration thresholds as prescribed in Schedule V of the Act can be exceeded by passing a special resolution by the Members of the Company.

Regulation 17(6) of SEBI LODR Regulations, inter alia provides that the Board shall recommend to the Members for their approval all fees or compensation, if any, paid to Non-Executive Directors, including Independent Directors.

Mr. Pravin Manjibhai Bhayani plays an important role in overseeing the governance, performance and

sustainable growth of the Company. Mr. Pravin Manjibhai Bhayani contributes his wealth of knowledge, skills, expertise, independent perspective, strategies and experience to the business of the Company and provide required diversity in Board's decision-making process. With the enhanced corporate governance requirements, increased responsibilities and duties of the Independent Directors under the Act and the SEBI LODR Regulations and the competitive business environment, the role of the Independent Directors, has become more onerous, requiring enhanced level of decision making ability, greater time commitments with high level of oversight.

In view of the above and in appreciation to the contribution and services Mr. Pravin Manjibhai Bhayani has rendered and continue to render to the Company, the Board, on the basis of the recommendation of the Nomination and Remuneration Committee ("NRC") and Audit Committee ("AC"), at their meeting held on August 17, 2024, have approved payment of remuneration to Mr. Pravin Manjibhai Bhayani amounting to ₹ 24,00,000/- (Rupees Twenty Four Lakhs Only), per annum **for the period of one year w.e.f. 1st October, 2024 to 30th September, 2025**, payable on a quarterly, half yearly or yearly basis, as decided by the Board of Directors of the Company.

The aforesaid remuneration shall exclude all the fees payable to Mr. Pravin Manjibhai Bhayani for attending the meetings of the Board and Committees of the Board and also exclude the expenses incurred/reimbursement of expenses for attending the meetings of the Board, Committees, Shareholders and such other meetings as organized by the Company from time to time.

The remuneration may exceed the statutory limits prescribed under Section 197 of the Act but shall be subject to a maximum limit of ₹ 24,00,000/- (Rupees Twenty Four Lakhs Only) per annum. Further, in case of loss or inadequacy of profits, the said amount would be paid as minimum remuneration in accordance with Schedule V of the Act, with requisite approvals.

The Company has not defaulted in payment of dues to any bank or public financial institution or any other secured creditors. The Company have not issued any debentures.

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	2023-24 (₹ in Lacs)	2022-23 (₹ in Lacs)
	Revenue from operations	9,564.04	9,574.88
	Profit before Tax	1,951.66	1,507.92
	Profit After Tax	1,450.10	1,133.41
	EPS	11.78	9.21
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. Pravin Manjibhai Bhayani (DIN: 08332851) was first appointed as an Independent Director of the company pursuant to Section 149 of the Companies Act, 2013 and Rules made thereunder on 17th January, 2019 and then reappointed for a second term of five consecutive years w.e.f. 17th January, 2024 to 16th January, 2029 not liable to retire by rotation.

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 commerce graduation i.e. B. Com. from Gujarat University. He also holds Post Qualification degree in Information System Audit (DISA) from ICAI. He has 25 years of vast experience in the field of Audit, Accounts, System Implementation, Cost Review, Income-tax, GST and Finance.

2. Past Remuneration:

Period	Remuneration paid (₹ in Lakhs)
2022-23	Remuneration: NIL Sitting Fees : 0.75
2023-24	Remuneration: 12.00 Sitting Fees: 0.90

3. Recognition or awards:

Mr. Pravin Manjibhai Bhayani plays an important role in overseeing the governance, performance and sustainable growth of the Company. Mr. Pravin Manjibhai Bhayani contributes his wealth of knowledge, skills, expertise, independent

perspective, strategies and experience to the business of the Company and provide required diversity in Board's decision-making process.

4. Job Profile and his suitability:

In the capacity of Independent Director of the Company Mr. Pravin Manjibhai Bhayani shall be responsible for ensuring adoption of good governance practices and provide his professional expertise and rich experience and knowledge in the filed of finance, accounts business strategy, finance, Information Technology etc.

5. Remuneration proposed:

₹ 24,00,000/- (Rupees Twenty Four Lakhs Only), per annum **for the period of one year w.e.f. 1st October, 2024 to 30th September, 2025**, payable on a quarterly, half yearly or yearly basis, as decided by the Board of Directors of the Company.

The aforesaid remuneration shall exclude all the fees payable to Mr. Pravin Manjibhai Bhayani for attending the meetings of the Board and Committees of the Board and also exclude the expenses incurred/reimbursement of expenses for attending the meetings of the Board, Committees, Shareholders and such other meetings as organized by the Company from time to time.

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. Pravin Manjibhai Bhayani is not holding any the equity share capital of the company. However, his Spouse is holding 40000 equity shares in the company. Apart from this, he is not 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 per cent increase in the sales turnover and increase the profits of the Company during the financial year 2024-25.

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

Mr. Pravin Manjibhai Bhayani 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 commerce graduation i.e. B. Com. from Gujarat University. He also holds Post Qualification degree in Information System Audit (DISA) from ICAI. He has 25 years of vast experience in the field of Audit, Accounts, System Implementation, Cost Review, Income-tax, GST and Finance.

Mr. Pravin Manjibhai Bhayani plays an important role in overseeing the governance, performance and sustainable growth of the Company. Mr. Pravin Manjibhai Bhayani contributes his wealth

of knowledge, skills, expertise, independent perspective, strategies and experience to the business of the Company and provide required diversity in Board's decision-making process. In the capacity of Independent Director of the Company Mr. Pravin Manjibhai Bhayani shall be responsible for ensuring adoption of good governance practices and provide his professional expertise and rich experience and knowledge in the filed of Audit, Accounts, System Implementation, Cost Review, Income-tax, GST and Finance.

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 payment of remuneration to Mr. Pravin Manjibhai Bhayani required to be approved by the members of the company by Special Resolution.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

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

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

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

Place: Bhavnagar
Date: August 17, 2024


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

ANNEXURE - A:

INFORMATION REQUIRED PURSUANT TO SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) AND PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015), IN RESPECT OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 25th ANNUAL GENERAL MEETING.

Directors retiring by rotation and eligible for reappointment & seeking reappointment:

1. Mr. Ghanshyam Bhagvanbhai Savani, Wholetime Director (DIN: 03055941)

Name of Director	Mr. Ghanshyam Bhagvanbhai Savani
	
DIN No.	03055941
Designation	Whole-time Director
Date of Birth	01/08/1970
Age	54 Years
Date of first appointment on the Board	Appointed as an Additional Director of the Company on April 01, 2012 and regularized as Director of the Company on September 14, 2012 and designated as Whole-time Director of the Company w.e.f. 26/11/2018.
Qualification / Brief Resume / Expertise in specific functional area / experience	Mr. Ghanshayambhai Bhagvanbhai Savani is under Matriculate. He is actively engaged in Production Activity of the Company. He has 33 years of experience in the API Industry. His expertise and business acumen helped in the sustainable growth of the Company.
No. of Shares held in the Company as on 31/03/2024	802284 Equity Shares
Remuneration	51.50 Lacs plus Sitting of ₹ 0.30 Lacs for FY 2023-24
Relationship with other Directors and Key Managerial Personnel	Cousin of Mr. Jignesh Vallabhbbhai Savani, Director & CEO of the company and Mr. Falgun Vallabhbbhai Savani, Chairman & Managing Director of the company and Cousin Brother-in-law of Nayna Jignesh Savani, Non-Executive Director of the company.
No of meetings of the Board attended during the year	6 (Six)
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

ATTENDANCE SLIP

(TO BE HANDED OVER AT THE ENTRANCE)

I/we hereby record my/our presence at the 25th Annual General Meeting of the Company held on Saturday, 21st Day of September, 2024 at 11:00 A.M. at Hotel Tara Suns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India

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

Full name of the member attending:

Address:

Name of Proxy:

Regd. Folio No.:

DP Id: Client Id :

Number of shares held:

Full Name of Shareholder (In block letters)

Signature of Shareholder

Full Name of Proxy (In block letters)

Signature of Proxy

FORM NO. MGT- 11

PROXY FORM

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

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

Day, date & time: 25th Annual General Meeting, Saturday, 21st Day of September, 2024 at 11:00 A.M.

Name of the member(s) _____
Registered address : _____
Email Id : _____
Folio No./Client Id : _____ DP ID : _____

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

1. Name :
Address :
E-mail ID: Signature.....

or failing him

2. Name :
Address :
E-mail ID: Signature

or failing him

3. Name :
Address :
E-mail ID: Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company to be held on Saturday, 21st Day of September, 2024 at 11:00 A.M. at Hotel Tara Suns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

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

Resolution No.	Particulars of Resolution(s)	Vote	
		For	Against
ORDINARY BUSINESS			
1	To receive, consider and adopt the Audited Standalone Financial Statements of the company for the financial year ended on 31 st March, 2024 together with the report of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. Ghanshyam Bhagvanbhai Savani, Whole-time Director (DIN: 03055941), who retires by rotation and being eligible offer himself for re-appointment.		
3	To appoint statutory auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification (s), the resolution as an Ordinary resolution.		
SPECIAL BUSINESS			
4	To fix remuneration payable to Mr. Pravin Manjibhai Bhayani (DIN: 08332851) as an Independent Director of the Company and if thought fit, to pass with or without modification(s) the Resolution as a Special Resolution		

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

Signed thisday of 2024

Signature of member (s)

Signature of Proxy holder(s)

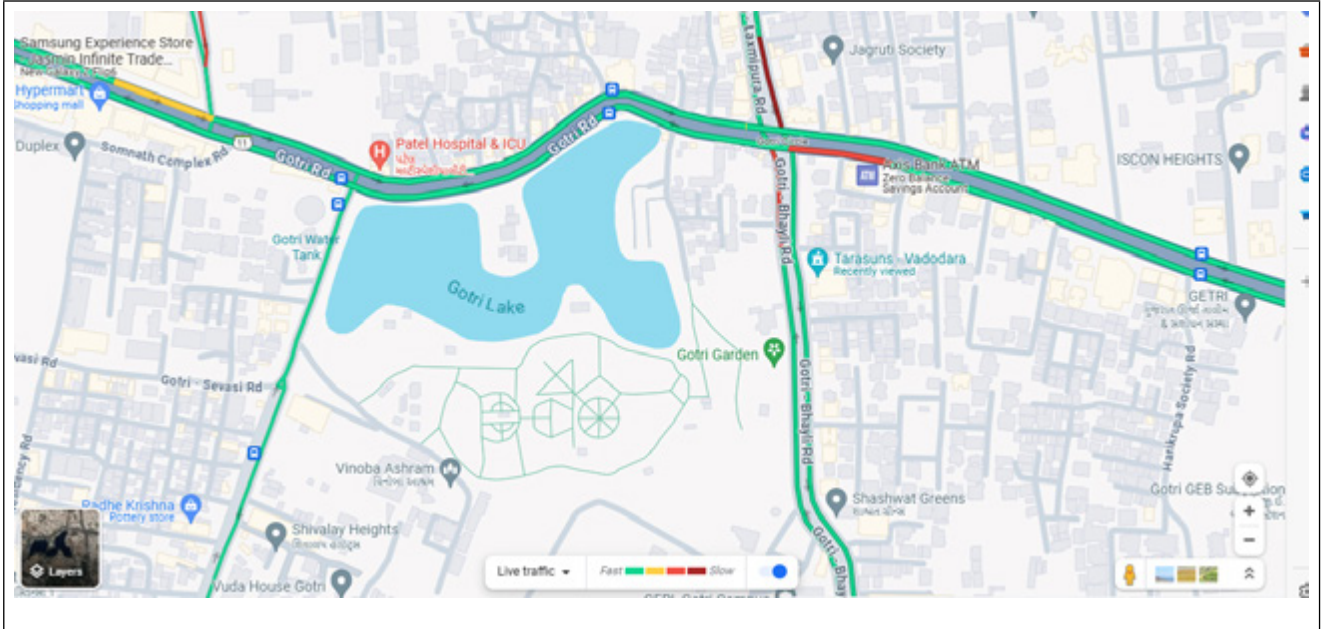
Affix Revenue stamp Here

Note:

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

Route Map of Venue of 25th Annual General Meeting of the Company to be held on Saturday, 21st Day of September, 2024 at 11:00 A.M. at Hotel Tara Suns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India

Prominent Landmark: Yash Complex, Gotri Circle, Vadodara



Map Link: [Click Here for Direction](#)

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting the Twenty Fifth (25th) 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, 2024.

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

1. FINANCIAL RESULTS:

(Amount in Lakhs except EPS)

Particulars	For the Year ended 31 st March, 2024	For the Year ended 31 st March, 2023
Revenue from Operations	9,564.04	9,574.88
Other Income	24.23	23.83
Total Income	9,588.27	9,598.71
Less: Total Expenses (excluding Depreciation)	7293.00	7,767.47
Profit Before Depreciation & Tax	2,295.27	1,831.24
Less: Depreciation	343.61	323.32
Profit before extraordinary items and tax	1,951.66	1,507.92
Less: Extraordinary Items	0.00	0.00
Profit before tax	1,951.66	1,507.92
Less: (i) Current Tax	497.56	379.51
(ii)Deferred Tax	4.00	-5.00
Net Profit/(Loss) For The Year	1,450.10	1,133.41
EPS (Basic)	11.78	9.21
EPS (Diluted)	11.78	9.21

2. Performance Review

- The Company is engaged in the Manufacturing business of Active Pharma Ingredients ("APIs"), and Fine Chemicals. Our product portfolio presently comprises 15 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 decreased to ₹ 9,564.04/- Lakhs during the current year compared to previous year of ₹ 9,574.88/- Lakhs i.e. the decrease in the current year is approx 10.84 Lakh
 - Although revenue slightly reduce, the Net Profit after tax for the current year increased to ₹ 1,450.10/- Lakhs compared to the previous year of ₹ 1,133.41/- Lakhs i.e. variation in the current year is approx 27.94%

- The earning per share has been increased from ₹ 9.21 to 11.78 as compared to previous year i.e. various in the current year is approx. 27.90%.
- For Fiscal 2024, our domestic and international operations accounted for approx. 75.65% and 24.35 %, respectively, of our total sales.
- 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.

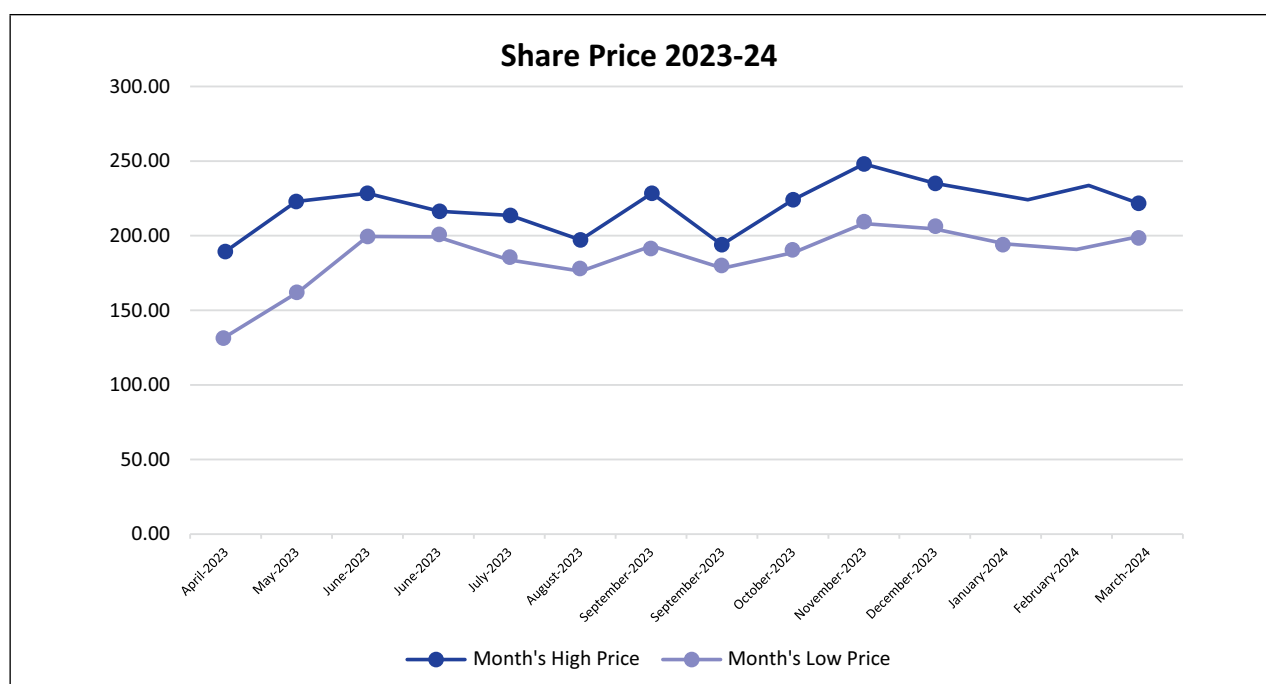
3. MARKET PRICE DATA:

Our Company listed on NSE Main Board 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 2023-24 on NSE*;

Months	Series**	Average of Open	Month's High Price	Month's Low Price	Average of Previous Close	Month's total No. of Trades	Month's Total Volume
April-2023	EQ	156.09	188.95	133.55	154.26	8769	286109
May-2023	EQ	186.31	222.45	161.60	185.15	21258	870971
June-2023	EQ	211.49	228.40	199.00	209.25	24188	585189
June-2023	BE	208.56	217.00	201.00	209.58	1105	72615
July-2023	BE	200.70	213.00	185.60	199.82	3291	214114
August-2023	BE	188.01	197.00	178.00	187.83	2859	227006
September-2023	EQ	208.00	228.15	191.35	200.87	4795	201319
September-2023	BE	187.18	192.75	180.00	186.17	2134	91867
October-2023	EQ	205.95	224.55	190.50	204.17	10094	311331
November-2023	EQ	227.80	248.00	210.00	225.48	26148	749251
December-2023	EQ	220.44	235.10	206.35	218.58	12339	412693
January-2024	EQ	213.60	223.85	193.90	210.37	12293	482802
February-2024	EQ	210.24	235.00	190.15	208.36	17373	665405
March-2024	EQ	209.46	219.50	200.00	207.83	9480	588405
During 2023-24	-	202.41	248.00	133.55	200.55	156126	5759077

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

**EQ - This series allows trading in Intra-day transactions for equity permissible, normal trading is done in this category. BE - This series does not allow trading in Intra-day transactions Shares falling in the Trade for Trade



4. 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.

5. DIVIDEND:

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

6. 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 ₹ 1,450.10/- Lakhs transferred to the Surplus in the Statement of Profit & Loss whereas an amount of ₹ -10.73 /- Lakhs utilized for income tax adjustment of earlier year.

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

There are no any 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.

8. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

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.

The management finds that the Verification of Financial Accounting & Documents, GST Compliances, Stores, Factory Gate, Statutory Payments, Statutory Returns, Pending Claims are satisfactory and nature and in Physical Verification of Inventories & Capital Assets need some improvement.

The records of the inventories has been started maintaining in the newly implemented 'Infinity Software'. As stated in the earlier report, the company is engaged in bulk drug production and the consumption of the raw materials are not 100% standardize in nature. So, we recommended replacing the manual system by implementing the computerized system so that the movement of the

inventories access at each level and its reports on day to day basis.

The company has started the process to move to the system called as 'infinity' but the comprised system is still under the going stage. Considering that, it is recommended herewith to complete the computerized system. Accordingly, physical Verification of Inventories and movement of each items needs to be improved to the stage of in-built system.

On recommendation, the company has started the process to move to the system called as 'infinity' but the comprised system is still under the going stage. Considering that, it is recommended herewith to complete the computerized system. Accordingly, physical Verification of Inventories and movement of each items needs to be improved to the stage of in-built system.

The physical verification of the work in progress of the office building as on the end of the year and the plant & machinery installed during the year are not possible to do as the work in the unit is still going on. There are numbers of items replaced and added during the last two years. Therefore, it is recommended to do the physical verification of all the assets on completing all installations at the Bhavnagar Unit.

The management also finds that the long term pending outstanding & receivables of exports and local dues needs to be followed up urgently and it is recommended to settle the same.

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.

9. 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.

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

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

11. 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.

12. AUDITORS & AUDITORS' REPORT:

Statutory Auditors:

It is recommended to appoint M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No.: 010674C), having valid Peer Review certificate, as the Statutory Auditors of the company from the conclusion of the 25th Annual General Meeting till the conclusion of the 26th Annual General Meeting of the Company to be held for the F.Y. 2024-25 at an annual remuneration / fees of ₹ 2,25,000/- (Rupees Two Lakh Twenty Five Thousand only) plus out of pocket expenses and taxes as applicable from time to time with the power to the Board/Audit Committee to alter and vary the terms and conditions of appointment, revision including upward revision in the remuneration during the remaining tenure. As required under the provisions of Section 139 of the Companies Act, 2013, company has obtained confirmation from M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No.: 010674C), that their appointment, if made, would be in conformity with the limits specified in the said Section.

Board's comment on the Auditors' Report:

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

Secretarial Auditor:

Pursuant to provisions of Section 204 of the Companies Act, 2013, Board of Directors had appointed M/s. DG Patel & Associates, Practising Company Secretaries (C.P. No.: 13774) as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2023-24.

Secretarial Auditor's Report:

Secretarial Audit report to the Shareholders contains following qualification, reservation or adverse remarks:

1. There was a delay of 2 days in submission of

Financial Results for the Quarter and nine months ended on 31st December, 2023 to the National Stock Exchange as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Financial results for said Quarter and Nine months were submitted to stock exchange (NSE) on 16th February, 2024 i.e. by delay of 2 (Two) days. However, company had paid fine for the same imposed by the National Stock Exchange.

Directors' comments on above mentioned qualification point wise:

1. Company had not complied with the Regulation 33 of SEBI LODR Regulations, 2015 w.r.t. submission of Unaudited Standalone Financial Results due to personal reason and pre-occupation of work of Statutory Auditor, Statutory Auditor was not able to review Unaudited Standalone Financial Results of the Company for quarter and nine months ended on 31st December, 2023 within due date and hence company rescheduled its Board Meeting on 16th February, 2024 and therefore delay of 2 days occurred in submission of results.

For the same, company had paid ₹ 10,000/- plus GST fine amount to NSE on 16th March, 2024.

The Secretarial Audit Report for the financial year ended 31st March, 2024 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.

13. 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.

14. 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.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

15.1 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, 2024, 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 Vallabhbai Savani DIN: 00198236	Chairman and Managing Director (Promoter)	49	NIL	NIL
2.	Mr. Jignesh Vallabhbai Savani DIN: 00198203	Executive Director & CEO (Promoter)	46	NIL	NIL
3.	Mr. Ghanshayambhai Bhagvanbhai Savani DIN: 03055941	Whole Time Director (Promoter Group)	54	NIL	NIL
4.	Mrs. Nayna Jignesh Savani DIN: 00198189	Non- Executive Director (Promoter Group)	45	NIL	NIL
5.	Mr. Pravin Manjibhai Bhayani DIN: 08332851	Non- Executive Independent Director	52	NIL	NIL
6.	Mrs. Krishna Mitulbhai Shah DIN: 08317678	Non- Executive Independent Director	45	NIL	NIL
7.	Mrs. Kajal Chintanbhai Vaghani DIN: 08317641	Non- Executive Independent Director	44	NIL	NIL
8.	Mrs. Bintal Bhaveshkumar Shah DIN: 08893054	Non- Executive Independent Director	48	NIL	NIL

Notes:

- 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.
- None of the directors are related to each other except Mr. Falgun Vallabhbai Savani, Mr. Jignesh Vallabhbai Savani, Mrs. Nayna Jignesh Savani, Mr. Ghanshayambhai Bhagvanbhai Savani, are related to each other.
- Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.
- Brief profiles of each of the above Directors are given in the beginning of the report.

15.2 Key Managerial Personnel (KMP):

As on 31st March, 2024, Mr. Falgun Vallabhbai Savani, Chairman & Managing Director; Mr. Ghanshayambhai Bhagvanbhai Savani, Whole-time Director; Mr. Jignesh Vallabhbai 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.

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

In terms of section 152 of the Companies Act, 2013, **Mr. Ghanshayambhai Bhagvanbhai Savani, Whole-time Director (DIN: 03055941)**, who retires by rotation and being eligible offers himself for re-appointment. Based on the performance evaluation and recommendation of the nomination and remuneration committee, the Board recommends his reappointment.

Mr. Jignesh Vallabhbai Savani, Director & CEO (DIN: 00198203) who retired by rotation re-appointed in the 24th Annual General Meeting of the company held on 16th September, 2023.

Mr. Falgun V. Savani Chairman & Managing Director (DIN:00198236) who retired by rotation re-appointed in the 23rd Annual General Meeting of the company held on 10th September, 2022.

Term of **Mr. Falgun Vallabhbhai Savani (DIN: 00198236)** as Chairman & Managing Director ended on 25th Day of November, 2023. He was re-appointed as Chairman & Managing Director for further period of 5 years from 26th Day of November, 2023 to 25th Day of November, 2028 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mr. Ghanshayambhai Bhagvanbhai Savani (DIN: 03055941)** as Whole-time Director ended on 25th Day of November, 2023. He was re-appointed as Whole-time Director for further period of 5 years from 26th Day of November, 2023 to 25th Day of November, 2028 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mr. Jignesh Vallabhbhai Savani (DIN: 00198203)** as CEO ended on 25th Day of November, 2023. He was re-appointed as CEO for further period of 5 years from 26th Day of November, 2023 to 25th Day of November, 2028 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mr. Pravin Manjibhai Bhayani (DIN: 08332851)** as an Independent Director of the Company ended on 16th Day of January, 2024. He was re-appointed as an Independent Director for

a second term of Five consecutive years w.e.f. 17th January, 2024 to 16th January, 2029 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mrs. Krishna Mitulbhai Shah (DIN: 08317678)** as an Independent Director of the Company ended on 16th Day of January, 2024. She was re-appointed as an Independent Director for a second term of Five consecutive years w.e.f. 17th January, 2024 to 16th January, 2029 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mrs. Kajal Chintanbhai Vaghani (DIN: 08317641)** as an Independent Director of the Company ended on 16th Day of January, 2024. She was re-appointed as an Independent Director for a second term of Five consecutive years w.e.f. 17th January, 2024 to 16th January, 2029 in the 24th Annual General Meeting of the company held on 16th September, 2023.

16 Meetings of Board of Directors:

Details of the Board Meetings held during the Financial Year ended 31st March, 2024 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
1/2023-24	27-04-2023	8	8
2/2023-24	03-08-2023	8	8
3/2023-24	17-08-2023	8	8
4/2023-24	28-10-2023	8	7
5/2023-24	16-02-2024	8	7
6/2023-24	07-03-2024	8	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. 2023-24
Mr. Falgun Vallabhbhai Savani	6	6
Mr. Jignesh Vallabhbhai Savani	6	6
Mr. Ghanshayambhai Bhagvanbhai Savani	6	6
Mrs. Nayna Jignesh Savani	6	6
Mrs. Krishna Mitulbhai Shah	6	6
Mrs. Kajal Chintanbhai Vaghani	6	5
Mr. Pravin Manjibhai Bhayani	6	6
Mrs. Binal Bhaveshkumar Shah	6	4

16.1 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, 2024.

The Composition of the Committee as on March 31, 2024 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	3/6
Mr. Falgun Vallabhbai Savani	Chairman & Managing Director	Member	6/6
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	6/6

Meeting No.	Date of Audit Committee Meeting	Total no. of Member	No. of Member present
1/AC/2023-24	27-04-2023	4	4
2/AC/2023-24	03-08-2023	4	3
3/AC/2023-24	16-08-2023	4	3
4/AC/2023-24	28-10-2023	4	4
5/AC/2023-24	16-02-2024	4	3
6/AC/2023-24	07-03-2024	4	4

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on September 16, 2023.

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, 2024.

The Committee met two times during the year on August 16, 2023 and February 16, 2024. The Composition of the Committee as on March 31, 2024 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 September 16, 2023.

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 Executive Director as on 31st March, 2024.

The Committee met on August 16, 2023. The Composition of the Committee as on March 31, 2024 and its attendance for meetings held during the year is set out below:

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

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on September 16, 2023.

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, 2024.

The Committee met two times during the year i.e. on August 16, 2023 and February 16, 2024. The Composition of the Committee as on March 31, 2024 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 September 16, 2023.

5. Independent Director Meeting:

One Meeting of Independent Directors held on 29/03/2024 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	0/1
Mrs. Bintal Bhaveshkumar Shah	Non-Executive & Independent Director	Member	1/1

17 Details of Remuneration paid to Directors/KMPs:

Name of Director/KMP	Designation	Remuneration / Sitting Fees* p.a. (in Lakhs)
Mr. Falgun Vallabhbai Savani	Chairman & Managing Director	51.50 0.60*
Mr. Jignesh Vallabhbai Savani	CEO and Executive Director	51.50 0.35*
Mr. Ghanshayambhai Bhagvanbhai Savani	Whole-time Director	51.50 0.30*
Mrs. Nayna Jignesh Savani	Non- Executive Director	0.50*
Mrs. Krishna Mitulbhai Shah	Non- Executive Independent Director	0.90*
Mrs. Kajal Chintanbhai Vaghani	Non- Executive Independent Director	0.40*
Mr. Pravin Manjibhai Bhayani	Non- Executive Independent Director	12.00 0.90*
Mrs. Bintal Bhaveshkumar Shah	Non- Executive Independent Director	0.25*
Mr. Sanket Bhupendrabhai Trivedi	Company Secretary & Compliance Officer	6.63
Mr. Chintan Pratapbhai Chauhan	Chief Financial Officer (CFO)	5.89

*Sitting Fees

18 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 at <http://pardrugs.com/pdf/policies/Nomination%20and%20Remuneration%20Policy%20-%20PAR.pdf>

19 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 at <http://pardrugs.com/pdf/policies/Code%20of%20Director%20&%20Senior%20Management%20Personnel%20-%20PAR.pdf>.

20 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.

21 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 at <http://pardrugs.com/familiraisation-programme.php>

22. 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 all committees.

23. 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 and also they have successfully qualified online proficiency for Independent Director's Data bank from Indian Institute of Corporate Affairs as on date this report.

24. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT U/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.

25. WEB LINK OF ANNUAL RETURN:

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as of March 31, 2023, on its website at www.pardrugs.com/annual-reports.php. The Company will also place annual return in Form No MGT-7 for FY 2023-24 on completion of ensuing annual general meeting of shareholders of the Company.

26. SHARE CAPITAL:

Authorized Share Capital:

The authorized share capital of the Company is ₹ 12,50,00,000/- divided into 1,25,00,000 Equity Shares

Paid up Share Capital:

At present, paid-up equity share capital is ₹ 12,30,46,360/- consisting of 12304636 equity shares of ₹ 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:

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

Employees Stock Option Plan:

The Company has not provided any Stock Option Scheme to the employees during the year under review.

27. DEMATERIALISATION OF SHARES:

100% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2024.

28. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

Particulars of contracts or arrangements with related parties under Section 188 of the Companies Act, 2013 during the year under review are given in Form AOC-2 attached with this report as Annexure - II. Further, the disclosure of transactions with related party for the year, as per Accounting Standard-18 Related Party Disclosures is given in Note no. 30 to the Balance Sheet as on 31st March, 2024.

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 <https://www.pardrugs.com/pdf/policies/Policy%20on%20Related%20Party%20Transactions%20-%20PAR.pdf>.

29. 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: ₹ 23,28,94,069/-

Foreign Outgo: ₹ 4,66,29,796/-

30. PARTICULARS OF EMPLOYEES:

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

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

1. Ratio of the remuneration of each director to the median remuneration of the employees and percentage increase in remuneration of each Director, CEO, CFO and CS of the Company for the financial year 2023-24:

Name	Designation	% increase/ (decrease) in remuneration in the FY 2023-24	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year
SHRI FALGUN VALLABHBHAI SAVANI	Chairman & Managing Director	0.00	27.32:1
SHRI JIGNESH VALLABHBHAI SAVANI	Executive Director & Chief Executive Officer	0.00	27.32:1
SHRI GHANSHAYAMBHAI BHAGVANBHAI SAVANI	Whole-time Director	0.00	27.32:1
SMT. NAYNA JIGNESH SAVANI	Non-Executive Director *	11.11	0.27:1
SHRI PRAVIN MANJIBHAI BHAYANI	Independent Director**	1500.00	6.37:1
SMT. KRISHNA MITULBHAI SHAH	Independent Director*	20.00	0.48:1
SMT. KAJAL CHINTANBHAI VAGHANI	Independent Director*	-11.11	0.21:1
SMT. BINTAL BHAVESHKUMAR SHAH	Independent Director*	0.00	0.13:1
SHRI SANKET BHUPENDRABHAI TRIVEDI	Company Secretary and Compliance Officer	5.24	-
SHRI CHINTAN PRATAPBHAI CHAUHAN	Chief Financial Officer	7.95	-

Note: *Remuneration of the Directors consists only of sitting fees drawn by them.

** Remuneration of the Independent Director compare with previous year sitting fees because the remuneration is approved in the previous AGM by members

***The percentage increase in remuneration is calculated basis the remuneration as per Section 17 of the Income Tax Act, 1961.

- Median remuneration of employee during the year of the company is ₹ 1.88 Lakh
- Percentage increase in the median remuneration of employees in the financial year (Median 2023-24/Median 2022-23): 13.99 %
- The number of permanent employees on the rolls of company: 122
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:-

a. Average percentage increase in salary of employees other than managerial personnel is 14.52%

b. Average percentage increase in salary of managerial personnel is 0.64%

6. The Company hereby affirm that the remuneration is as per remuneration policy of the Company

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

31. 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 an approach

towards risk assessment, risk management and risk monitoring, which is periodically reviewed by the Board.

32. 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 at http://pardrugs.com/pdf/policies/Final_CSR_POLICY.pdf

33. 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 <https://www.pardrugs.com/pdf/policies/Vigil%20Mechanism%20Policy%20-%20PAR.pdf>

34. 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.

35. CORPORATE GOVERNANCE:

Your company is committed to good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance SEBI (LODR) Regulations, 2015 are complied with. The Corporate Governance Report with the Auditors' Certificate thereon, and Management Discussion and Analysis Report are attached, and Corporate Governance Report is attached as an **Annexure-V**. Further Company regularly filed Corporate Governance Report as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which are available on the website of the Company at <http://pardrugs.com/corporate-governance-report.php>

36. 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.

37. 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.

38. 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 along with 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.

39. 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.

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

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

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

Not applicable.

42. ACKNOWLEDGMENT:

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

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

Date: August 17, 2024
Place: Vadodara

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

Sd/-
(Mr. Jignesh V. Savani)
Director & CEO
(DIN: 00198203)

Annexure - I

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31ST March, 2024

[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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024** 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, 2024** according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and 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, 2021 - **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 as amended from time to time;
- g. The Drugs and Cosmetic Rules, 1945 as amended from time to time;
- h. 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 *except that there was a delay of 2 days in submission of Financial Results for the Quarter and nine months ended on 31st December, 2023 to the National Stock Exchange as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Financial results for said Quarter and Nine months were submitted to stock exchange (NSE) on 16th February, 2024 i.e. by delay of 2 (Two) days. However, company had paid fine for the same imposed by the National 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.

FOR DG PATEL & ASSOCIATES
Company Secretaries

Sd/-

Dip G. Patel

(Proprietor)

FCS: 10533

C.P. No.: 13774

PR: 1839/2022

Place: Bhavnagar

Date: 09/05/2024

UDIN: F010533F000336595

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.

FOR DG PATEL & ASSOCIATES
Company Secretaries

Sd/-

Dip G. Patel
(Proprietor)

FCS: 10533

C.P. No.: 13774

PR: 1839/2022

Place: Bhavnagar
Date: 09/05/2024
UDIN: F010533F000336595

Annexure – II

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: N.A.

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

Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms	Date of approval	Amount paid as advances, if any
Falgunbhai V Savani HUF – Falgunbhai V Savani, Chairman & Managing Director is Karta of HUF	Purchase of Immovable Property	N.A.	Consideration paid ₹ 76.90 Lakhs	27/04/2023	N.A.
Jignesh V Savani HUF – Jignesh V Savani, CEO & Director is Karta of HUF	Purchase of Immovable Property	N.A.	Consideration paid ₹ 76.90 Lakhs	27/04/2023	N.A.
Ghanshyambhai B Savani HUF – Ghanshyambhai B Savani, Wholetime Director is Karta of HUF	Purchase of Immovable Property	N.A.	Consideration paid ₹ 76.90 Lakhs	27/04/2023	N.A.

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

Date: August 17, 2024
Place: Vadodara

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

Sd/-
(Mr. Jignesh V. Savani)
Director & CEO
(DIN: 00198203)

Annexure – III

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

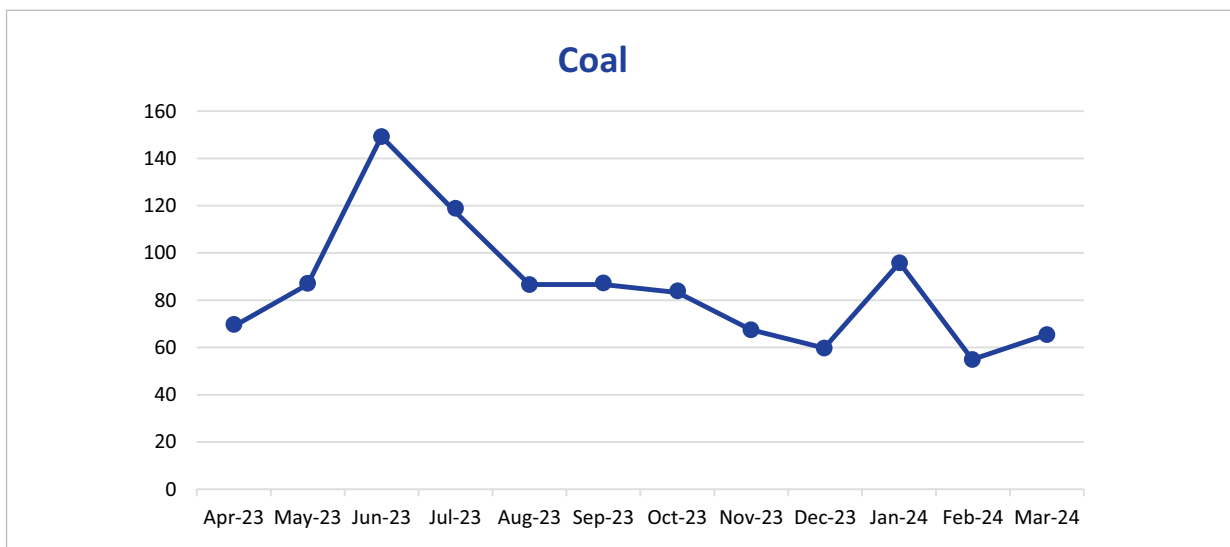
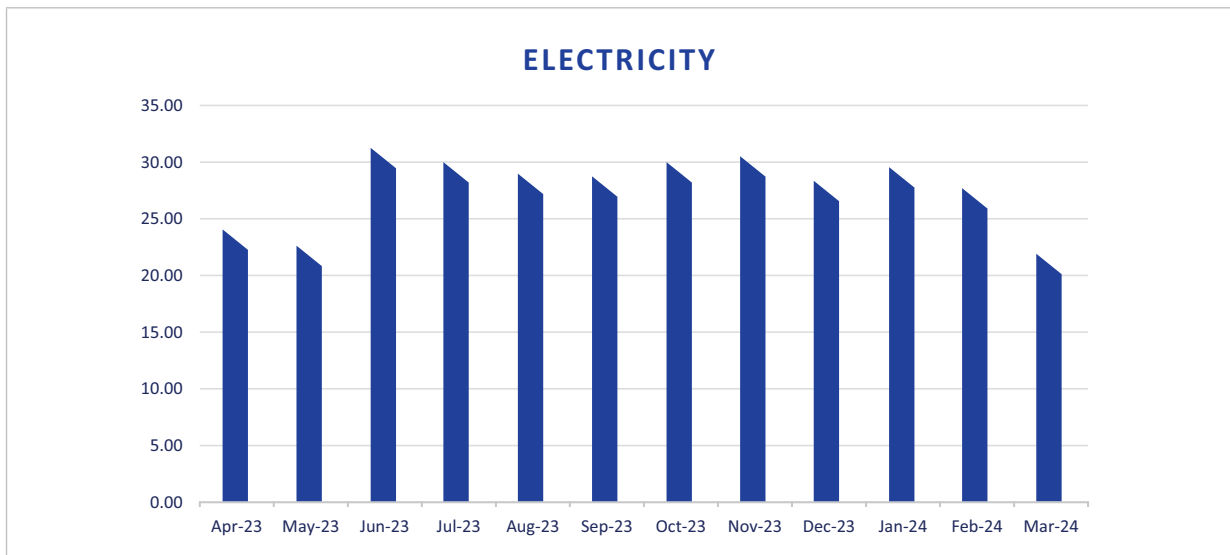
(A) Conservation of energy-

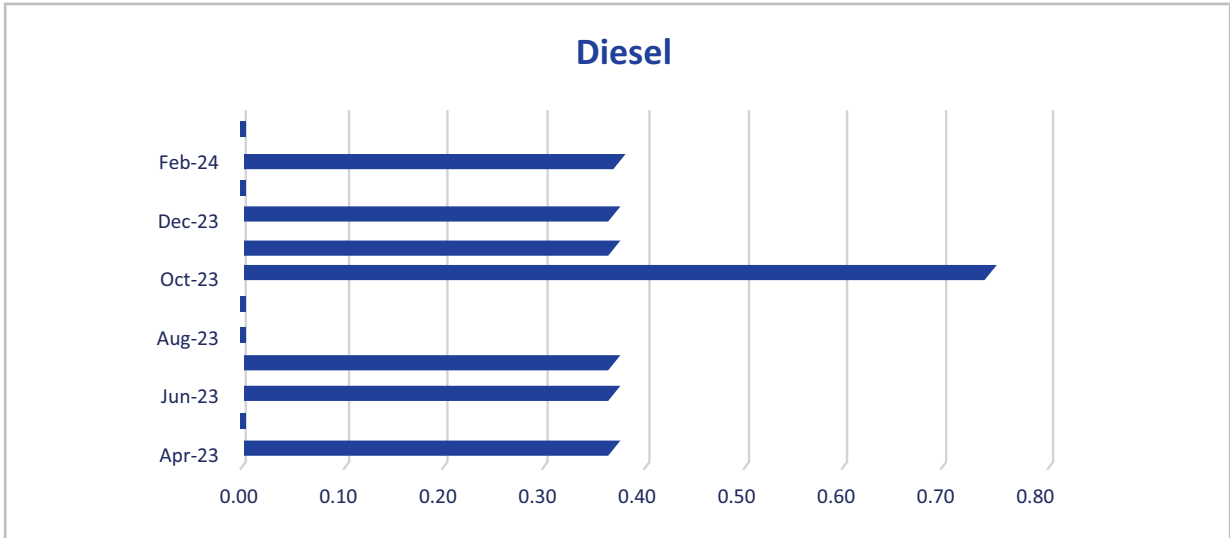
(i) the steps taken or impact on conservation of energy:

The Company is engaged in the Manufacturing business of Active Pharma Ingredients (“APIs”), Antacid Molecules and other chemical and pharmaceuticals products. Our product portfolio presently comprises 15 APIs 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. 2023-24 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)
3736540	334.47	8501.81	1026.15	3200.00	3.00

Graph showing the month wise 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 2023-24, solar panel generated the electrical energy 115122 Kwah which equals to reduction of CO2 emission of 921 KG approx.

(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:

LIST OF MODIFICATION WORK CARRIED OUT DURING THE FINANCIAL YEAR 2023-24

SR. NO.	Work Description
1	Main Office Building Renovation, Construction of New Building and Installation of New Centrally Air Conditioning System in New Building at factory unit of the Company.
2	Installation of New Laminar Air Flow (LAF) Unit in Old renovated Block for Raw Material Sampling to maintain and improvise quality assurance

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution – None except as mentioned above.

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

(iv) the expenditure incurred on research & development: Rs. 10,81,019/-

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

Sd/-

Sd/-

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

(Mr. Jignesh V. Savani)
Director & CEO
(DIN: 00198203)

Date: August 17, 2024
Place: Vadodara

Annexure – IV

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 at [click here](#)

2. Composition of the CSR committee:

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

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

Composition of the CSR committee shared above and is available on the Company's website on [click here](#)

CSR policy - [Click Here](#)

CSR projects - [Click Here](#)

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

As per Rule (3) (a) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, Every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. Hence, Company is out of purview of this rule due to the less CSR obligation i.e. less than ten crore rupees for the F.Y. 2023-24

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): ₹ 13,50,75,022/-

7. (a) Two percent of average net profit of the Company as per section 135(5) : ₹ 27,01,500/-

(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) : ₹ 27,01,500 /-

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

Total Amount Spent for the Financial Year. (In ₹)	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
27,34,320/-	NIL	-	-	NIL	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Project duration	Amount allocated for the project (In ₹)	Amount spent in the current financial Year (In ₹)	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 CSR Registration number
-	-	-	-	-	-	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Amount spent for the project	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency Name CSR registration number
1	Project:- "ROTARY AMRUTALAY" *	(i)	Yes	Gujarat Bhavnagar	Bhavnagar (Ghevariya Hospital, Panvadi, Bhavnagar -364001, Gujarat, India)	27,34,320/-	No ROTARY CLUB (SOCIETY) OF BHAVNAGAR CSR 00006976
Total		-	-	-	-	27,34,320/-	-

* Rotary Amrutalaya - Mother Milk Bank Project, establishing a human milk bank has a positive impact on the health of vulnerable infants, providing them with essential nutrients, antibodies, and other bioactive factors crucial for their development and well-being. The fund has been utilized to purchase T30 Pasteuriser and accessories, Refrigerator, PC, software and other accessories for the project.

- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable: Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 27,34,320/-
- (g) Excess amount for set off, if any.: Nil (₹ 18,642 was excess amount spent for the previous financial year but, not taken for set off for the Current financial Year)

Sr. No.	Particular	Amount (In ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	27,01,500
(ii)	Total amount spent for the Financial Year	27,34,320
(iii)	Excess amount spent for the financial year [(ii)-(i)]	32,820
(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)]	32,820

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account 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	
-	-	NIL	-	-	NIL	-	-

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project 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
-	-	-	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/-
(Mr. Falgun V. Savani)
 Chairman and Managing Director
 (DIN: 00198236)

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

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

Annexure – V

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

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

2. Board of Directors

A. Composition of Directors

The Board of Directors along with its Committees provide leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board of Company comprises of Executive and Non-Executive Directors (which include Independent Directors, including further an Independent Woman Directors). Independent Directors are eminent

persons with skills in diverse areas like business, accounting, marketing, finance, administration, etc. The composition of Board of Directors represents optimal mix of professionalism, qualification, knowledge, skill sets, track record, integrity, expertise and diversity. The Board of Directors, as on March 31, 2024, comprised of 8 Directors, out of which 3 was Executive Director ("ED") out of which 1 was Chairman & Managing Director, 1 was Whole time director and 1 was Director & CEO and; 5 were Non-Executive Directors ("NEDs"), which includes 4 Independent Directors ("IDs") out of which 3 women Independent Directors and 1 was Non-Executive Non-Independent Director. The Chairman of the Board is a Executive and half of the total number of Directors comprises of Non-Executive & Independent Directors. Detailed profile of our Directors is available on our website at www.pardrugs.com The terms and conditions of appointment of Independent Directors are hosted on the website of the Company at <http://pardrugs.com/policies-par-drugs-and-chemicals.php> In India, the Securities and Exchange Board of India (SEBI) regulates corporate governance for listed companies through SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Listing Regulations mandate the following:

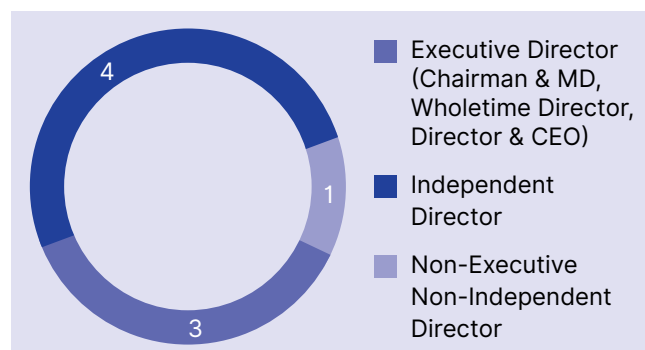
For a company does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors: : **Complied**

The Board of directors of the top 1000 listed entities shall have at least one independent woman director by April 1, 2019: **Complied, though we are not within the of top 1000 Listed entity**

The Board of directors of the top 2000 listed entities shall comprise of not less than six directors: **Complied**

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

Board Composition as on March 31, 2024



None of the Directors on the Board:

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

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

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

None of the Directors on the Board holds positions in any Committees in other public companies as on March 31, 2024. None of the Directors is related to each other except as mentioned below:

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

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 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 exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. 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. Further, in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company have passed the Online Proficiency Self-Assessment through the Independent Director's Databank platform.

B. Board Meetings and attendance

The Board / Committee Meetings are held as per the annual calendar set out well in advance with concurrence of all the Directors, to ensure 100% participation in the meetings. Meetings which were held through video conferencing are as per the prescribed, guidelines, after giving adequate notice

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

Six 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 27-04-2023, 03-08-2023, 17-08-2023, 28-10-2023, 16-02-2024 and 07-03-2024

The necessary quorum was present for all the meetings.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting (“AGM”), details regarding name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2024 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 2023-24	Attendance at the last AGM held on September 16, 2023	No. of Directorship in other Public Companies		No. of Committees Positions held in other Public Companies (Other than Par Drugs And Chemicals Limited)		No. of Committees Positions held in other Public Companies (Other than Par Drugs And Chemicals Limited)
				Chairman	Member	Chairman	Member	
Mr. Falgun Vallabhbai Savani Chairman & Managing Director	Non-Independent, Executive Director, Promoter	6	YES	-	-	-	-	-
Mr. Jignesh Vallabhbai Savani Executive Director & CEO	Non-Independent, Executive Director, Promoter	6	YES	-	-	-	-	-
Mr. Ghanshayambhai Bhagvanbhai Savani, Whole-time Director	Non-Independent, Executive Director, Promoter Group	6	YES	-	-	-	-	-
Mrs. Nayna Jignesh Savani, Non-Executive Director	Non-Independent, Non-Executive, Promoter Group	6	NO	-	-	-	-	-
Mrs. Krishna Mitulbhai Shah, Independent Director	Independent, Non-Executive	6	YES	-	-	-	-	-
Mrs. Kajal Chintanbhai Vaghani, Independent Director	Independent, Non-Executive	5	NO	-	-	-	-	-
Mr. Pravin Manjibhai Bhayani, Independent Director	Independent, Non-Executive	6	YES	-	-	-	-	-
Mrs. Binal Bhaveshkumar Shah	Independent, Non-Executive	4	NO	-	-	-	-	-

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

During FY 2023-2024, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

C. Directors retiring by rotation:

Mr. Ghanshayambhai Bhagvanbhai Savani, Wholetime Director (DIN: 03055941) who retires by rotation and being eligible offer himself for re-appointment. As per Regulation 36 of the Listing Regulations, brief profile of Director seeking re-appointment at the forthcoming AGM, is annexed to the Notice convening the AGM and forming part of this Annual Report.

D. Independent Directors meeting & Familiarisation programme

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

During FY 2023-24 under review, one meeting of IDs was held on March 29, 2024 and was chaired by lead Independent Director, Mr. Pravin M. Bhayani and attended by IDs except one Independent Director. The IDs reviewed all the matters as per Schedule IV of the Companies Act, 2013. The meeting was informal, enabling the IDs to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors. The IDs expressed satisfaction at the robustness of the evaluation process, overall functioning of the Board, openness and transparency of the Board deliberations on business issues and the agenda items as also the information and disclosures made to IDs. They noted that the suggestions made by them were implemented satisfactorily.

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

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

E. Performance evaluation of Board, Committees and Directors

Pursuant to the provisions of the Act and the Listing

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

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

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

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

Executive Directors: Anticipating business trends, strategy formulation and execution, team-building, skillset & knowledge, statutory compliances, ethical standards, risk mitigation, sustainability, financial planning & performance, succession planning, interface with industry forums etc.

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

F. Skills / expertise / competencies of Directors

The Board comprises of competent members who possess repertoire of skills, expertise and competencies that permits them to make effective contributions to the Board and its Committees. The Board has identified the following skills / expertise

/ competencies fundamental for its effective functioning and below table demonstrates skill & competencies possessed by Directors:

SKILLS / EXPER-TISE / COMPETEN-CIES	FALGUN SAVANI	JIG-NESH SAVANI	GHANSHY-AM SAVANI	PRAVIN BHAYANI	KRISHNA SHAH	KAJAL VAGHANI	BINTAL SHAH	NAYNA SAVANI
Strategy and Planning	✓	✓	✓	✓		✓		✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓
Leadership & Management	✓	✓	✓	✓				✓
Management & administration	✓	✓	✓	✓	✓	✓	✓	✓
Accounting & Finance	✓	✓		✓	✓	✓		
Sustainability	✓	✓	✓	✓	✓	✓	✓	✓
Relationship & CSR	✓	✓	✓	✓	✓	✓	✓	✓

G. Legal Compliance

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

H. Equity shares of the Company held by the Directors as on March 31, 2024 are given below:

Name	Category	No. of equity shares held
Mr. Falgun Vallabhbai Savani	Non- Independent, Executive Director, Promoter	2645952
Mr. Jignesh Vallabhbai Savani	Non- Independent, Executive Director, Promoter	2692440
Mr. Ghanshayambhai Bhagvanbhai Savani	Non- Independent, Executive Director, Promoter Group	802284
Mrs. Nayna Jignesh Savani	Non- Independent, Non-Executive, Promoter Group	189384
Mrs. Krishna Mitulbhai Shah	Independent, Non-Executive	0
Mrs. Kajal Chintanbhai Vaghani	Independent, Non-Executive	0
Mr. Pravin Manjibhai Bhayani	Independent, Non-Executive	0
Mrs. Bintal Bhaveshkumar Shah	Independent, Non-Executive	0

The Company has not issued any convertible instruments.

I. Code of Conduct

Board of Directors have laid down Code of Conduct setting forth legal and ethical standards to be followed by Directors and Senior Management ("the Code"). The Code lays emphasis amongst other things, on the integrity at workplace and in business practices, honest and ethical personal conduct, diversity, fairness and respect etc which is expected to be followed by the Directors and Senior management. The Code has been posted on the website of the Company at Policy section of under the tab of Investors at <https://www.pardrugs.com/policies->

[par-drugs-and-chemicals.php](#) The Directors & Senior Management have made disclosures to the Board confirming that there are no material Financial and commercial transactions between them and the Company which could have potential conflict of interest with the Company.

J. Prevention of Insider Trading

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

Company has identified Designated Persons who can be privy to the Unpublished Price Sensitive Information (UPSI), based on their grade, department and other factors. It includes obligations and responsibilities of Designated Persons, maintenance of digital database, mechanism for preventing

insider trading & handling of UPSI, disclosure of UPSI for legitimate purposes, prohibited and permitted transactions, consequence for violation etc.


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

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

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

Director retiring by rotation and eligible for reappointment

Mr. Ghanshyam Bhagvanbhai Savani, Wholetime Director (DIN: 03055941)

Name of Director	Mr. Ghanshyam Bhagvanbhai Savani
	
DIN No.	03055941
Designation	Whole-time Director
Date of Birth	01/08/1970
Age	54 Years
Date of first appointment on the Board	Appointed as an Additional Director of the Company on April 01, 2012 and regularized as Director of the Company on September 14, 2012 and designated as Whole-time Director of the Company w.e.f. 26/11/2018.
Qualification / Brief Resume / Expertise in specific functional area / experience	Mr. Ghanshayambhai Bhagvanbhai Savani is under Matriculate. He is actively engaged in Production Activity of the Company. He has 33 years of experience in the API Industry. His expertise and business acumen helped in the sustainable growth of the Company.
No. of Shares held in the Company as on 31/03/2024	802284 Equity Shares
Remuneration	51.50 Lacs plus Sitting of Rs. 0.30 Lacs for FY 2023-24
Relationship with other Directors and Key Managerial Personnel	Cousin of Mr. Jignesh Vallabhbhai Savani, Director & CEO of the company and Mr. Falgun Vallabhbhai Savani, Chairman & Managing Director of the company and Cousin Brother-in-law of Nayna Jignesh Savani, Non-Executive Director of the company.
No of meetings of the Board attended during the year	6 (Six)
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, 2024.

The Composition of the Committee as on March 31, 2024 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	3/6
Mr. Falgun Vallabhbhai Savani	Chairman & Managing Director	Member	6/6
Mrs. Krishna Mitulbhai Shah	Non-Executive & Independent Director	Member	6/6

Meeting No.	Date of Audit Committee Meeting	Total no. of Member	No. of Member present
1/AC/2023-24	27-04-2023	4	4
2/AC/2023-24	03-08-2023	4	3
3/AC/2023-24	16-08-2023	4	3
4/AC/2023-24	28-10-2023	4	4
5/AC/2023-24	16-02-2024	4	3
6/AC/2023-24	07-03-2024	4	4

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on September 16, 2023.

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:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice, and
- To secure attendance of outsiders with relevant expertise if it considers necessary
- Others as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time.

The Audit Committee shall mandatorily review the following information:

- 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;

- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal Audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
- statement of deviations: Not Applicable during the year under review
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

(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 March 31, 2024.

The Committee met two times during the year on August 16, 2023 and February 16, 2024. The Composition of the Committee as on March 31, 2024 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 September 16, 2023.

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;
 - 1.1. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - 1.1.1. use the services of an external agencies, if required;
 - 1.1.2. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - 1.1.3. consider the time commitments of the candidates.

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;
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;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommend to the board, all remuneration, in whatever form, payable to senior management;
8. Others as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time.

(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 executive Director as on March 31, 2024.

The Committee met on August 16, 2023. The Composition of the Committee as on March 31, 2024 and its attendance for meetings held during the year is set out below:

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

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on September 16, 2023.

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) Resolving the grievances of the security holders of the Company including complaints related to transfer/

- transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
 - 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
 - 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company
 - 5) Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
 - 6) 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;
 - 7) Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
 - 8) Issue of duplicate certificates and new certificates on split/consolidation/renewal;
 - 9) Allotment and listing of shares;
 - 10) Reference to statutory and regulatory authorities regarding investor grievances; and
 - 11) To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
 - 12) Others as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time.
 - 13) 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 2023-24 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, 2024.

The Committee met two times during the year i.e. on August 16, 2023 and February 16, 2024. The Composition of the Committee as on March 31, 2024 and its attendance for meetings held during the year is set out below:

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

The Chairman of the Committee has attended the last Annual General Meeting of the Company held on September 16, 2023.

Terms of Reference of Corporate Social Responsibility Committee:

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

4. Remuneration Policy:

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

The Company paid Sitting Fees of Rs. 5000/- per meeting of Board of Directors and Committees Meetings to all directors of the Company including its Non-Executive Directors (NEDs) for attending the Meeting of the Board of Directors and its Committees. The details of the remuneration paid to the Directors/KMPs for the year 2023-24 are as follows:

A. To Executive Directors/KMPs: (Rs. In Lakh)

Name of Director/KMP	Designation	Remuneration	Benefits, Perquisites and Allowances	Sitting Fees	Total
Mr. Falgun Vallabhbai Savani	Chairman & Managing Director	51.50	-	0.60	52.10
Mr. Jignesh Vallabhbai Savani	CEO and Executive Director	51.50	-	0.35	51.85
Mr. Ghanshayambhai Bhagvanbhai Savani	Whole-time Director	51.50	-	0.30	51.80
Mr. Sanket Bhupendrabhai Trivedi	Company Secretary & Compliance Officer	6.63	-	-	6.63
Mr. Chintan Pratapbhai Chauhan	CFO	5.89	-	-	5.89
Total		167.02	-	1.25	168.27

B. To Non-Executive Directors: (Rs.in Lakh)

Name of Director/KMP	Designation	Remuneration	Sitting Fees	Total
Mrs. Nayna Jignesh Savani	Non- Executive Director	-	0.50	0.50
Mrs. Krishna Mitulbhai Shah	Non- Executive Independent Director	-	0.90	0.90
Mrs. Kajal Chintanbhai Vaghani	Non- Executive Independent Director	-	0.40	0.40
Mr. Pravin Manjibhai Bhayani	Non- Executive Independent Director	12.00*	0.90	12.90
Mrs. Bintal Bhaveshkumar Shah	Non- Executive Independent Director	-	0.25	0.25
Total		12.00	2.95	14.95

* The remuneration of Independent Director approved by passing special resolution by the members in the previous annual general meeting of the Company held on September 16, 2023.

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
2022-23	Hotel Tara Suns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat, India	16 th Day of September, 2023 at 11:00 A.M.	<ol style="list-style-type: none">1. To re-appoint Mr. Pravin Manjibhai Bhayani (DIN: 08332851) as an Independent Director of the Company and to fix remuneration payable to him2. To re-appoint Mrs. Krishna Mitulbhai Shah (DIN: 08317678) as an Independent Director of the Company3. To re-appoint Mrs. Kajal Chintanbhai Vaghani (DIN: 08317641) as an Independent Director of the Company4. To re-appoint Mr. Falgun Vallabhbbhai Savani (DIN: 00198236) as Chairman & Managing Director of the company and fix Remuneration payable to him5. To re-appoint Mr. Ghanshayambhai Bhagvanbhai Savani (DIN: 03055941) as a Wholetime Director and to fix Remuneration payable to him6. To re-appoint Mr. Jignesh Vallabhbbhai Savani (DIN: 00198203) as a CEO of the company and to fix Remuneration payable to him
2021-22	TaraSuns, B/h Yash Complex, B/s Sonal Park, G.E.R.I. Road, Gotri, Vadodara -390021, Gujarat	10 th Day of September, 2022 at 11:00 A.M	No Special Resolutions were passed
2020-21	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	29/09/2021 4.00 P.M.	<ol style="list-style-type: none">1. To approve Increase in Remuneration of Mr. Falgun Vallabhbbhai Savani, Chairman & Managing Director (DIN: 00198236) of the Company.2. To approve Increase in Remuneration of Mr. Ghanshayambhai Bhagvanbhai Savani, Whole Time Director (DIN: 03055941) of the Company.3. To approve Increase in Remuneration of Mr. Jignesh Vallabhbbhai Savani, CEO & Director (DIN: 00198203) of the Company.

(B) Extra Ordinary General Meeting:

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

Year	Location	Date & Time	Special Resolution Passed/Remarks
2023-24	-	-	No EGM of the members was held during the financial year 2023-24.
2022-23	-	-	No EGM of the members was held during the financial year 2022-23.
2021-22	Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	15/04/2021 4.00 P.M	Ordinary Resolutions 1. Increase authorized share capital of the company to enable issue of bonus shares 2. To alter clause v of memorandum of association to reflect the increase in the authorized share capital proposed under item no. 1 3. To approve issue of bonus equity shares.
2020-21	-	-	No EGM of the members was held during the financial year 2020-21.
2019-20	-	-	No EGM of the members was held during the financial year 2019-20.

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

(C) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot during the F.Y. 2023-24:

The Company did not pass any resolution by Postal Ballot during the financial year 2023-24. Further, there is no immediate proposal for passing any resolution through postal ballot.

6. M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No.: 010674C) has been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors’ fees, for FY 2023-24 is given below:

2,25,000/- (Rupees Two Lakh Twenty Five Thousand only)

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	Click Here H1 Click Here H2 Click Here Policy
Details of non-compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India (‘SEBI’) or any statutory authority on any matter related to capital markets during the last three financial years.	Schedule V (C) 10(b) to the SEBI Listing Regulations	There was a delay of 2 days in submission of Financial Results for the Quarter and nine months ended on 31st December, 2023 to the National Stock Exchange as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Financial results for said Quarter and Nine months were submitted to stock exchange (NSE) on 16 th February, 2024 i.e. by delay of 2 (Two) days. However, company had paid fine of Rs. 10,000/- plus GST for the same imposed by the National Stock Exchange.	Click Here

Particulars	Statutes/Regulation	Details	Website link
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	Click Here Click Here 2
Subsidiary Companies	Regulation 24 of SEBI Listing Regulations	The Company does not have any Subsidiary, Joint Venture or Associate Company.	Click Here
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted this policy.	Click Here Click Here 2
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted this policy.	Click Here
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.	Click Here
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, 2024. The Annual Report of the Company contains a certificate by the Chief Executive Officer and Managing Director, on the compliance declarations received from the members of the Board and Senior Management.	Click Here
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations	Not Applicable	-
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.	Click Here
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.	Click Here

Particulars	Statutes/Regulation	Details	Website link
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	<p>a. Number of complaints filed during the financial year: Nil</p> <p>b. Number of complaints disposed of during the financial year: Not Applicable</p> <p>c. Number of complaints pending as on end of the financial year.: Nil</p> <p>The details have been disclosed in the Directors Report forming part of the Annual Report.</p>	-
Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount	Para C of schedule V: Annual Report See Regulation 34(3) of Listing Regulation	Not Applicable	-
Disclosure of commodity price risks and commodity hedging activities.	Para C of schedule V: Annual Report See Regulation 34(3) of Listing Regulation	Not Applicable	-
Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	Para C of schedule V: Annual Report See Regulation 34(3) of Listing Regulation	Not Applicable	-

8. Means of Communication:

a. Financial Result:

Quarterly and Half Yearly and year to date Results were taken on record by the Board of Directors and submitted to stock exchanges in terms of the requirements Regulation 33 of the listing agreement. The results are also displayed on the Company's website at [Link Financial Result](#). The said Results are normally published in English Edition of Economic Times & in Gujarati Edition of Navgujarat Samay.

b. Website:

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

c. Annual Report:

The Annual Report containing, inter-alia, Audited Standalone Financial Statements, Directors' Report,

Auditors' Report and other important information is circulated to members and others entitled to. The Management Discussion and Analysis (MDA) Report forms part of the Annual Report. As a part of the green initiative, the Annual Reports are sent by e-mail to the Shareholders whose e-mail IDs are registered with the Depositories / Registrar & Transfer Agent ("RTA"). If any member wishes to get a duly printed copy of the Annual Report, the Company sends the same, free of cost, upon receipt of request from the member. The Company's Annual Reports are also available in downloadable form by [clicking here](#)

d. Reminders to Shareholders for unclaimed shares / dividend:

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

e. Filing with the Stock Exchanges:

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

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

f. Investors:

To serve the investors better and as required under Regulation 46(2)(j) of the Listing Regulations, the Company's Grievance Redressal Division has a designated email address for investor complaints vide investors@pardrugs.com. The Company's Compliance Officer monitors this email regularly. A copy of Investor presentations are also made available by the Company on its website at www.pardrugs.com

9. General shareholder information:

(1) Annual General Meeting for FY 2023-24:

Date: Saturday, 21st Day of September, 2024

Time: 11:00 A.M. IST

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

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

(8) Market Price Data:

Equity shares of the Company traded during each month during F.Y. 2023-24 on NSE*:

Months	Series**	Average of Open	Month's High Price	Month's Low Price	Average of Previous Close	Month's total No. of Trades	Month's Total Volume
April-2023	EQ	156.09	188.95	133.55	154.26	8769	286109
May-2023	EQ	186.31	222.45	161.60	185.15	21258	870971
June-2023	EQ	211.49	228.40	199.00	209.25	24188	585189
June-2023	BE	208.56	217.00	201.00	209.58	1105	72615
July-2023	BE	200.70	213.00	185.60	199.82	3291	214114
August-2023	BE	188.01	197.00	178.00	187.83	2859	227006
September-2023	EQ	208.00	228.15	191.35	200.87	4795	201319
September-2023	BE	187.18	192.75	180.00	186.17	2134	91867
October-2023	EQ	205.95	224.55	190.50	204.17	10094	311331
November-2023	EQ	227.80	248.00	210.00	225.48	26148	749251
December-2023	EQ	220.44	235.10	206.35	218.58	12339	412693
January-2024	EQ	213.60	223.85	193.90	210.37	12293	482802
February-2024	EQ	210.24	235.00	190.15	208.36	17373	665405
March-2024	EQ	209.46	219.50	200.00	207.83	9480	588405
During 2023-24	-	202.41	248.00	133.55	200.55	156126	5759077

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

**EQ - This series allows trading in Intra-day transactions for equity permissible, normal trading is done in this category. BE - This series does not allow trading in Intra-day transactions Shares falling in the Trade for Trade

(2) Financial Year:

April to March

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

(3) Dividend Payment:

Interim Dividend - Not Applicable as the Board has not declared any interim dividend during the FY 2023-24.

Final dividend - Not Applicable as the Board has not declared any final dividend for the FY 2023-24.

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

(5) Listing on Stock Exchanges:

Equity shares of the company are listed on Capital Market Segment of NSE Limited

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (East), Mumbai 400 051

(6) Stock Codes / Symbol:

NSE SYMBOL: PAR

ISIN: INE04LG01015

Listing Fees as applicable have been paid.

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

(9) Share Price Performance of Company in comparison to Nifty - 50



*Source: <https://www.marketscreener.com/quote/index/NIFTY-50-9743680/graphics-comparison/>

(10) Registrars and Transfer Agents

LINK INTIME INDIA PRIVATE LIMITED

5th Floor, 506 TO 508, Amarnath Business Centre – 1

(ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad-380006, Gujarat, India Tel: (079) 26465179 Website: www.linkintime.co.in

Email: ahmedabad@linkintime.co.in SEBI registration no: INR000004058

(11) Places for acceptance of documents:

Documents will be accepted at the above address between 11:00 a.m. and 3:30 p.m. (Monday to Friday except bank holidays).

(12) Share Transfer System:

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

(13) Shareholding as on March 31, 2024:**a. Distribution of equity shareholding as on March 31, 2024:**

SERIAL NO.	SHARES RANGE		NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to 500	6800	90.4135	497916	4.0466
2	501	to 1000	273	3.6298	211861	1.7218
3	1001	to 2000	171	2.2736	263670	2.1429
4	2001	to 3000	59	0.7845	148133	1.2039
5	3001	to 4000	74	0.9839	276327	2.2457
6	4001	to 5000	32	0.4255	147123	1.1957
7	5001	to 10000	57	0.7579	409489	3.3279
8	10001	to *****	55	0.7313	10350117	84.1156
Total			7521	100.0000	12304636	100.0000

b. Categories of equity shareholding as on March 31, 2024:

Serial No.	Category	Demat Securities	Demat Holders	Physical Securities	Physical Holders	Total Securities	Total Holders	%-Issued Capital
1	Bodies Corporate	222323	28	0	0	222323	28	1.8068
2	Hindu Undivided Family	225257	117	0	0	225257	117	1.8307
3	Non Resident Indians	44254	66	0	0	44254	66	0.3597
4	Non Resident (Non-Repatriable)	103865	47	0	0	103865	47	0.8441
5	Public	2516917	7249	0	0	2516917	7249	20.4550
6	Promoters	9130636	7	0	0	9130636	7	74.2048
7	Relatives of Promoters	250	1	0	0	250	1	0.0020
8	LLP	47100	4	0	0	47100	4	0.3828
9	Alternate Invst Funds – III	6034	1	0	0	6034	1	0.0490
10	FPI (Individual) – II	8000	1	0	0	8000	1	0.0650
TOTAL:		12304636	7521	0	0	12304636	7521	100

c. Top ten equity shareholders of the Company as on March 31, 2024:

SERIAL NO.	CATEGORY	NAME OF SHAREHOLDER	SHARES	% OF HOLDING
1	Promoter	JIGNESH VALLABHBHAI SAVANI	2692440	21.88
2	Promoter	FALGUN VALLABHBHAI SAVANI	2645952	21.50
3	Promoter Group	SARITABEN VALLABHBHAI SAVANI	2623204	21.32
4	Promoter Group	GHANSHAYAMBHAI B SAVANI	802284	6.52
5	Promoter Group	SAVANI NAYNA JIGNESH	189384	1.54
6	Promoter Group	SHILPABEN FALGUN SAVANI	177372	1.44
7	CBO	JAINAM BROKING LIMITED	108462	0.88
8	HUF	MILAN NATVARLAL BHAYANI	60796	0.49
9	Public	PRAVEEN KUMAR GUPTA	48000	0.39
10	Public	KIRITBHAI MAKANBHAI RAVAL	48000	0.39

d. Top ten Public equity shareholders of the Company as on March 31, 2024:

SERIAL NO.	CATEGORY	NAME OF SHAREHOLDER	SHARES	% OF HOLDING
1	CBO	JAINAM BROKING LIMITED	108462	0.88
2	HUF	MILAN NATVARLAL BHAYANI	60796	0.49
3	Public	PRAVEEN KUMAR GUPTA	48000	0.39
4	Public	KIRITBHAI MAKANBHAI RAVAL	48000	0.39
5	Public	GAURAV KIRITKUMAR SHAH	48000	0.39
6	Public	VARDHILAL SHIVRAMBHAI THAKKAR	47500	0.39
7	Public	RAJ MILAN BHAYANI	42632	0.35
8	Public	CHETANKUMAR SHASHIKANT SHAH	41687	0.34
9	LLP	MEGHDOOT LEISURE LLP	41000	0.33
10	Public	ASMITA P BHAYANI	40000	0.33

(14) Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form on NSE Capital Market platform. Equity shares of the Company representing 100.00 percent of the Company's equity share capital are dematerialized as on March 31, 2024. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE04LG01015.

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

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence, as on March 31, 2024, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

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

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

(17) Reconciliation of Share Capital Audit:

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

(18) Equity shares in the suspense account:

None of the equity shares are in the suspense account.

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

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)

Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

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

(20) Plant locations:

There are four Manufacturing Blocks at Plot No. 333/1, 333/2, 334, 335, 336/A, 336/B, 337, 338, 339/3 GIDC, Estate, Phase-II, Chitra, Bhavnagar-364004, Gujarat, India, which are for different products having a capacity of approx 9,700 MTPA. Block 1 – APIs, Block 2 - Magnesium Hydroxide, Block 3 - Fine Chemicals and Block 4 – APIs/ Fine Chemicals.

(21) Address for correspondence:

a. Registered Office

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

b. Contact Details for Investor Correspondence

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

(22) SEBI Complaints Redressal System (SCORES) & SMART ODR Portal:

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. The Company has already registered it self at new SMART ODR Portal (Securities Market Approach for Resolution Through ODR Portal) during the year, pursuant to the SEBI Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023. This platform is designed to enhance investor grievance redressal by enabling investors to access Online Dispute Resolution Institutions for the resolution of their complaints.

(23) Senior management:

A. Particulars of senior management are as follows:-

DIN	Name	Designation	Joining Date
00198236	Mr. Falgun Vallabhbhai Savani	Chairman & Managing Director	26/02/1999
00198203	Mr. Jignesh Vallabhbhai Savani	Executive Director & CEO	26/02/1999
03055941	Mr. Ghanshayambhai Bhagvanbhai Savani	Wholetime Director	01/04/2012
00198189	Mrs. Nayna Jignesh Savani	Non-Executive Director	02/02/2018
08317641	Mrs. Kajal Chintanbhai Vaghani	Independent Director	17/01/2019
08317678	Mrs. Krishna Mitulbhai Shah	Independent Director	17/01/2019
08332851	Mr. Pravin Manjibhai Bhayani	Independent Director	17/01/2019
08893054	Mrs. Bintal Bhaveshkumar Shah	Independent Director	28/09/2020

B. Changes in the senior management since the close of the previous financial year:-

The changes during the F.Y. 2023-24 in the senior management team are as follows;

Mr. Jignesh Vallabhbhai Savani, Director & CEO (DIN: 00198203) who retired by rotation re-appointed in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mr. Falgun Vallabhbhai Savani (DIN: 00198236)** as Chairman & Managing Director ended on 25th Day of November, 2023. He was re-appointed as Chairman & Managing Director for further period of 5 years from 26th Day of November, 2023 to 25th Day of November, 2028 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mr. Ghanshayambhai Bhagvanbhai Savani (DIN: 03055941)** as Whole-time Director ended on 25th Day of November, 2023. He was re-appointed as Whole-time Director for further period of 5 years from 26th Day of November, 2023 to 25th Day of November, 2028 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mr. Jignesh Vallabhbhai Savani (DIN: 00198203)** as CEO ended on 25th Day of November, 2023. He was re-appointed as CEO for further period of 5 years from 26th Day of November, 2023 to 25th Day of November, 2028 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mr. Pravin Manjibhai Bhayani (DIN: 08332851)** as an Independent Director of the Company ended on 16th Day of January, 2024. He was re-appointed as an Independent Director for a second term of Five consecutive years w.e.f. 17th January, 2024 to 16th January, 2029 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mrs. Krishna Mitulbhai Shah (DIN: 08317678)** as an Independent Director of the Company ended on 16th Day of January, 2024. She was re-appointed as an Independent Director for a second term of Five consecutive years w.e.f. 17th January, 2024 to 16th January, 2029 in the 24th Annual General Meeting of the company held on 16th September, 2023.

Term of **Mrs. Kajal Chintanbhai Vaghani (DIN: 08317641)** as an Independent Director of the Company ended on 16th Day of January, 2024. She was re-appointed as an Independent Director for a second term of Five consecutive years w.e.f. 17th January, 2024 to 16th January, 2029 in the 24th Annual General Meeting of the company held on 16th September, 2023.

(24) Disclosure of certain types of agreements binding listed entities:

No any agreement executed during the year which required disclosure under clause 5A of paragraph A of Part A of Schedule III of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

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.

We, confirm that the Company has in respect of the year ended March 31, 2024, 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, We 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 2024.

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

Sd/-
(Mr. Jignesh V. Savani)
Chief Executive Officer

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

Sd/-
(Mr. Falgun V. Savani)
Chairman & Managing Director

Date: 17/08/2024

Place: Vadodara

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To ,
The Members,
PAR DRUGS AND CHEMICALS LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PAR DRUGS AND CHEMICALS LIMITED** having CIN L24117GJ1999PLC035512 and having registered office at 815, Nilamber Triumph, Gotri Vasma Road, Vadodara- 390007 Gujarat (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

FOR DG PATEL & ASSOCIATES
Company Secretaries

Place: Bhavnagar
Date: 17/08/2024
UDIN: F010533F000992646

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

Corporate Governance Compliance Certificate

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

To,
The Members,
PAR DRUGS AND CHEMICALS LIMITED

We have examined the compliance of conditions of Corporate Governance by **Par Drugs And Chemicals Limited** ('the Company') for the year ended on 31st March, 2024, 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, 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, 2024.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR DG PATEL & ASSOCIATES
Company Secretaries

Sd/-

Dip G. Patel
(Proprietor)

FCS: 10533

C.P. No.: 13774

PR: 1839/2022

Place: Bhavnagar
Date: 17/08/2024
UDIN: F010533F000992571

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, 2024 and based on our knowledge and belief, we state that:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. 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:
1. significant changes, if any, in internal control over financial reporting during the year;
 2. 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
 3. 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

Sd/-
(Mr. Jignesh V. Savani)
Chief Executive Officer

Date: 09/05/2024
Place: Bhavnagar

For Par Drugs And Chemicals Limited

Sd/-
(Mr. Chintan P. Chauhan)
Chief Financial Officer

Management Discussion and Analysis (MDA)



Review of the Global Economy in 2023

The global economy in 2023 experienced a marked slowdown due to persistent inflation, geopolitical tensions, and the aftereffects of the COVID-19 pandemic. The International Monetary Fund (IMF) projected global growth to decelerate to 3.0% in 2023, down from 3.5% in 2022. Advanced economies, particularly those in North America and Europe, saw growth fall to 1.5%, as tighter monetary policies aimed at curbing inflation began to impact economic activity. Emerging markets and developing economies showed resilience, with growth at 4.0%, driven by solid performance in Asia, particularly China and India ([IMF](#)) ([GJEPC India](#)).

Review of the Indian Economy in 2023

India continued its strong economic performance in 2023, with the IMF estimating GDP growth at 6.3%. This growth was supported by robust domestic consumption, increased infrastructure spending, and a strong service sector recovery. Despite global inflationary pressures, India's inflation rate remained moderate, aided by

prudent fiscal and monetary policies. The government's continued push for digitalisation, structural reforms, and initiatives to improve the business environment further bolstered economic activity, making India one of the fastest-growing major economies in the world ([IMF](#)).

Review of the Global Pharma Sector in 2023

The global pharmaceutical market continued its strong growth trajectory in 2023, reaching a total market revenue of approximately USD 1.607 trillion. This growth reflects a consistent increase in demand for pharmaceutical products, driven by various factors, including the rising prevalence of chronic diseases, an ageing global population, and advancements in medical technology.

From CY 2001 to 2023, the pharmaceutical market saw a steady increase, more than quadrupling in size from USD 390 billion in 2001 to over USD 1.6 trillion in 2023. Significant jumps in revenue during this period highlight vital developments such as introducing new blockbuster drugs, increased investment in R&D, and expanding

pharmaceutical companies into emerging markets.

The market's consistent growth underscores its resilience, even amid global challenges such as economic downturns, regulatory pressures, and supply chain disruptions. The industry's focus on innovation, particularly in biotechnology and personalised medicine, has been a significant driver of this growth. Additionally, the expansion into digital health solutions and increased collaborations between pharmaceutical companies and tech firms have further contributed to the market's expansion.

This growth has been particularly beneficial for companies involved in producing Active Pharmaceutical Ingredients (APIs), like Par Drugs and Chemicals Limited, as the demand for high-quality, reliable pharmaceutical components remains strong globally.

The future outlook for the global pharmaceutical market remains positive. Continued growth is expected as the industry adapts to new technological advancements and the ongoing global need for effective healthcare solutions.

API Market Dynamics:

Regulatory Changes and Quality Control: In 2023, regulatory bodies such as the FDA and EMA tightened their scrutiny of API manufacturers, particularly concerning impurities like nitrosamines. This has led to increased pressure on manufacturers worldwide to enhance their quality control processes. The global focus on ensuring higher-quality APIs affected the supply chain, causing delays and increased costs for manufacturers across the board.

Shifts in Manufacturing Hubs: India and China continued to dominate the global API manufacturing sector. However, there was a noticeable shift in 2023, with Western countries increasing their domestic production capabilities. This was driven by concerns over supply chain security and the geopolitical tensions from reliance on a few major suppliers.

Technological Innovations: 2023 saw the rapid adoption of continuous manufacturing techniques for APIs. This technology allows for more efficient, scalable, and cost-effective production, addressing the growing demand for high-quality APIs globally. The innovation wave has led to more reliable production with fewer quality variations, which is crucial for drugs treating digestive disorders and other critical conditions.

Review of the Global Market for the Products of Par Drugs And Chemicals Limited

Magnesium-Based Products:

Rise in Demand for Magnesium Supplements: Globally, consumer awareness regarding the importance of magnesium in overall health, particularly in managing conditions like osteoporosis and cardiovascular diseases, significantly rose. This led to a surge in demand for magnesium-based dietary supplements, impacting the

global market for Magnesium and Oxide.

Supply Chain Disruptions: The magnesium market experienced considerable disruptions in 2023 due to geopolitical tensions and environmental regulations in China, the world's largest producer of magnesium. These disruptions caused magnesium prices and supply volatility, affecting industries reliant on these compounds, including pharmaceuticals.

Fine Chemicals Market Dynamics:

Sustainability and Green Chemistry: A major global trend in 2023 was the push towards green chemistry and sustainable production methods in the fine chemicals sector. Stricter environmental regulations and growing consumer demand for eco-friendly products drove this. The shift towards sustainability has impacted the production processes for fine chemicals like Precipitated Silica and Amorphous Aluminium Hydroxide, encouraging innovation in reducing the environmental impact of these processes.

Growth in Personal Care and Cosmetics Industry: The personal care and cosmetics industry saw a substantial increase in demand for fine chemicals like Sodium Aluminium Silicate and Precipitated Silica. This growth was driven by the rising demand for high-performance ingredients in skincare and haircare products, particularly in Asia-Pacific and North America.

Supply Chain Realignment: The fine chemicals industry faced significant challenges due to supply chain realignments, particularly with the ongoing shift of production facilities from China to Southeast Asia. This move was largely driven by rising labour costs and environmental regulations in China, which reshuffled the global supply network.

Global Health Events Impacting API Demand:

Global Health Crises and Medication Demand: The ongoing effects of the COVID-19 pandemic and the emergence of new health crises in 2023 led to an increased demand for APIs used in critical care medications. This had a ripple effect on the availability and pricing of APIs like Sucralfate and Magnesium Trisilicate as the pharmaceutical industry grappled with the challenge of meeting surging demand while ensuring supply chain resilience.

Generic Drug Market Expansion: The global generic drug market continued its expansion in 2023, driven by the patent expirations of several blockbuster drugs. This trend has increased the demand for high-quality APIs, including those used by Par Drugs And Chemicals Limited, as generic manufacturers seek reliable and cost-effective sources for their formulations.

Review of the Indian Pharma Sector in 2023

In 2023, the Indian pharmaceutical sector continued its upward trajectory, marked by significant advancements in production, innovation, and exports. The industry achieved several key milestones while successfully



navigating regulatory pressures and global supply chain disruptions. Innovation remained at the forefront of the sector, with substantial investments in research and development (R&D) by the government and the private sector.

The Indian government's Production-Linked Incentive (PLI) scheme, with a budget of ₹15,000 crore (approximately USD 2.04 billion), played a crucial role in boosting the sector's manufacturing capacity. This initiative also fostered a collaborative environment between the government and industry stakeholders, creating an ecosystem that promotes continuous innovation across the pharmaceutical value chain. These efforts enhanced the sector's production capabilities and reinforced India's position as a global leader in pharmaceutical exports, contributing to healthcare outcomes worldwide.

India's pharmaceutical exports surged 9.67% to USD 27.9 billion in 2023-24, despite a 3% dip in total exports. March sees a 12.73% rise to USD 2.8 billion.

Par Drugs And Chemicals Limited has benefited from this vibrant sectoral growth, with increased demand for its key Active Pharmaceutical Ingredients (APIs). The company's focus on quality and innovation has enabled it to effectively tap into the expanding domestic and international markets, thereby sustaining its growth momentum amidst a dynamic and competitive industry landscape.

Review of Operations

During FY24, Par Drugs And Chemicals Limited focused on enhancing operational efficiency, maintaining high product quality, and expanding its market presence. The company successfully retained its leadership in producing critical APIs such as Magnesium Hydroxide, Sucralfate, and Magnesium Trisilicate. With an export network spanning 20 countries, the company bolstered its global presence, catering to markets across Europe, Asia, and the Middle East. The company's commitment to sustainability was evident in its ongoing initiatives to reduce carbon emissions through renewable energy projects and water conservation efforts.

Review of Financial Performance

Par Drugs And Chemicals Limited reported a strong financial performance in FY24, reflecting robust product demand and efficient cost management practices. The company's revenue increased significantly, driven by domestic and international sales. The company maintained healthy EBITDA margins despite rising input costs, underscoring its operational efficiency. The company's balance sheet remained strong, with a net debt-free position and consistent free cash flow generation, enabling ongoing investments in growth initiatives.

Financial Highlights

(₹ In Lakhs)

Revenue

9564.04	FY24
9574.88	FY23
7507.44	FY22
6075.13	FY21

EBITDA

2295.27	FY24
1831.48	FY23
1636.08	FY22
1814.81	FY21

EBITDA margin (in %)

24.00%	FY24
19.13%	FY23
21.79%	FY22
29.87%	FY21

PBT

1951.66	FY24
1507.92	FY23
1270.32	FY22
1472.61	FY21

Net worth

8,563.20	FY24
7,123.83	FY23
5,987.72	FY22
5,221.45	FY21

ROCE (in %)

21.89%	FY24
20.14%	FY23
20.49%	FY22
25.38%	FY21

PAT

1450.1	FY24
1133.41	FY23
921.33	FY22
1161.12	FY21

PAT margin (in %)

15.16%	FY24
11.84%	FY23
12.27%	FY22
19.11%	FY21

EPS

11.78	FY24
9.21	FY23
7.49	FY22
18.87	FY21

Net debt to equity ratio (in times)

0	FY24
0	FY23
0	FY22
0.16	FY21

ROE (in %)

21.89	FY24
20.14	FY23
21.22	FY22
28.2	FY21

Ratios

₹ in Million

Particulars	2023-24	2022-23	Variance (%)	Reasons of Variance
Debtors Turnover	6.97	5.64	23.59	N.A.
Inventory Turnover	22.90	17.80	28.63	Inventory Turnover Ratio has been increased due to reduction in inventory of raw material.
Interest Coverage Ratio	0	7747.05	-100.00	As No Interest is paid in FY-2023-24, Interest coverage ratio is decreased.
Current Ratio	4.79	3.53	35.64	Due to increase in cash and cash equivalents, Current Ratio has been increased
Debt Equity Ratio (%)	0	0	0	N.A.
Operating Profit Margin (%)	34.42	27.16	26.77	Decrease in cost of materials & utilities results in increase in operating Profit Margin
Net Profit Margin (%)	20.41	15.75	29.57	As a result of the increase in operating margin, the Net Profit Ratio has increased in comparison with the previous year
Return on Net Worth (%)	22.79	21.17	7.67	The increase in Net Profit Margin results in increase return on Net Worth

Threats

The market faces ongoing challenges from natural disasters, geopolitical tensions, trade restrictions, and distinct economic and political risks. Over the past year, the cost of essential raw materials and utilities has risen substantially, likely to persist in the short term. This cost increase is expected to drive up the prices of Active Pharmaceutical Ingredients (APIs), potentially impacting demand domestically and internationally. However, the Company's diversified global presence and lack of dependence on any single market provide a buffer against adverse events in specific regions.

Opportunities - Key Growth Drivers

Government Initiatives: The Production Linked Incentive (PLI) scheme for the pharmaceutical sector in India is gaining significant momentum, with an investment surge of Rs 33,000 crore. This scheme, aimed at boosting domestic manufacturing and reducing import dependency, particularly from China, has attracted investments from leading pharmaceutical companies. The initiative is designed to strengthen India's position in the global pharma market by promoting the production of high-value products and critical raw materials. With these investments, the industry is poised to enhance its capacity, improve supply chain resilience, and support the government's vision of making India a global pharmaceutical hub. The PLI scheme also aligns with the broader goal of Aatmanirbhar Bharat, fostering self-reliance and innovation in the pharmaceutical sector.

Infrastructure Development: India's pivotal role in global pharmaceutical production is further highlighted by the fact that the country is home to around 650 plants that are US FDA-approved. This constitutes approximately a quarter of all USFDA-approved facilities outside the United States, underscoring India's critical contribution to the global pharmaceutical supply chain. Following

the United States, India boasts the second-highest number of USFDA-approved plants, further cementing its position as a leading player in the industry.

In 2023, Indian pharmaceutical manufacturing sites achieved a significant milestone by outpacing global standards during U.S. Food and Drug Administration (USFDA) inspections. This achievement reflects the rigorous quality control measures and compliance protocols that Indian pharma companies have consistently upheld, elevating India's standing in the global pharmaceutical landscape.

The numbers from the USFDA inspections tell a compelling story. In 2023, Indian sites underwent 150 USFDA inspections, marking a notable 30% increase compared to the previous year. Out of these, only 10% of the inspections resulted in Official Action Indicated (OAI) classifications, significantly lower than the global average of 15%. This impressive statistic underscores the high standards maintained by Indian manufacturers, showcasing their commitment to quality and regulatory compliance.

This performance not only enhances India's reputation as a reliable supplier of high-quality pharmaceutical products but also opens up numerous opportunities for the industry. The strong performance in USFDA inspections is likely to boost exports to the United States, which remains one of the largest pharmaceutical markets. With Indian sites proving their ability to meet the highest regulatory standards, there is considerable potential for expanding market share in the U.S., leading to increased revenue streams for Indian companies.

The confidence gained from these successful inspections may also encourage Indian companies to diversify their product portfolios by venturing into more complex and high-value segments such as biosimilars and innovative therapeutics. With Indian firms demonstrating their

ability to adhere to stringent global standards, they are well-positioned to innovate and develop new products, enhancing their competitiveness on the global stage. **Robust Domestic Demand:** The Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB PM-JAY) has significantly boosted domestic demand. The Indian pharmaceutical market, valued at USD 41 billion in 2021, is projected to grow to USD 65 billion by 2024 and USD 130 billion by 2030.

Opportunities - Government Support

Strengthening of Pharmaceutical Industry (SPI) Scheme: Implemented by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilisers, this scheme comprises three sub-schemes:

Assistance to the Pharmaceutical Industry for Common Facilities (APICF): Enhances infrastructure for pharma MSMEs clusters.

Promotion of Technology Upgradation Assistance Scheme (PTUAS): Addresses technological challenges faced by specific pharmaceutical companies.

Pharmaceutical and Medical Device Promotion and Development Scheme (PMPDS): This scheme organizes lectures, activities, and surveys to raise awareness.

Production-Linked Incentive (PLI) Scheme: With a revised allocation of ₹15,000 crore, this scheme aims to significantly boost the local production of key starting materials (KSMs), drug intermediates (DIs), and APIs. As of FY24, India has commenced the production of 42 APIs, covering around 75% of the APIs for which the country was previously 90% reliant on imports.

Bulk Drug Parks Development: The states of Himachal Pradesh, Gujarat, and Andhra Pradesh have received in-principle approval from the Department of Pharmaceuticals for the Promotion of Bulk Drug Parks. A budget of ₹3,000 crore has been allocated to develop these parks, which will reduce the cost of producing bulk drugs by establishing top-notch shared infrastructure facilities.

Strengths

Diversified Product Portfolio: PDCL produces a comprehensive range of antacid products, including ten fine chemicals and 15 APIs, catering to domestic and international markets.

Global Reach: The Company has a significant global presence, with products exported to approximately 16 countries, including Germany, the United Kingdom, Bangladesh, Iran, the UAE, Indonesia, Japan, and South Korea.

Experienced Leadership: PDCL is guided by seasoned promoters and key managerial personnel with deep expertise in the API industry, ensuring sustained growth.

Advanced Chemistry Capabilities: The Company's ongoing research and development efforts are focused on optimising processes and reducing manufacturing costs.

Extensive Sales and Distribution Network: PDCL operates a robust distribution network, with 13 agents globally and over 40 dealers.

Product Portfolio

PDCL is engaged in the manufacturing of Active Pharmaceutical Ingredients (APIs) and Fine Chemicals. It is one of the largest manufacturers of Magnesium Hydroxide, Sucralfate, and Magnesium Trisilicate in India.

APIs:

Magnesium Hydroxide: Widely used as an antacid and as an intermediate for producing magnesium metal, residual fuel additives, sulphite pulp, and in uranium processing.

Sucralfate: Primarily used to treat active duodenal ulcers, gastroesophageal reflux disease, and stress ulcers.

Dried Aluminium Hydroxide Gel: Used in the manufacture of lake colours, inks, catalyst carriers, and primarily as an active ingredient in antacid formulations.

Magaldrate: A common antacid drug used for treating duodenal and gastric ulcers and esophagitis from gastroesophageal reflux.

Magnesium Trisilicate: Used as an antioxidant, decolorizing agent, and industrial odor absorbent.

Fine Chemicals:

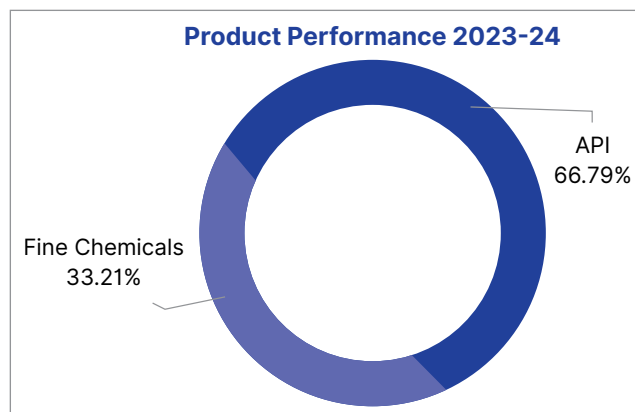
Precipitated Silica: Used in pesticides, detergents, free-flow salt, anti-caking agents, and cosmetics.

Allusil: A silicate and aluminium salt composition used in paper, paint, and coating applications.

PARSIL-HT: Used in specialised agro formulations.

Magnesium Aluminium Silicate: Used as a plant growth supplement and as an antacid raw material in specific antacid formulations, ceramics, suspending agents, and thickening agents.

Performance



Outlook

The Company maintains a stable and optimistic outlook as it continues to expand its operations and grow its business.

Risks and Mitigation Measures

Operating within a highly regulated and dynamic environment, the Company faces inherent risks, particularly in the Pharmaceutical industry, which is among the most heavily regulated globally. These regulations influence various aspects of the business, including product development, approval processes, marketing, and distribution, introducing significant compliance challenges. Additionally, the Company generates a substantial portion of its revenue in foreign currencies, exposing it to exchange rate volatility, adversely affecting overall revenue and profitability. Despite these challenges, the Company adopts a conservative approach to currency management, ensuring that expected exchange rates are maintained to safeguard profitability.

To address these challenges, the Company has implemented a robust risk management framework designed to mitigate the impact of financial, operational, strategic, and regulatory risks. This framework includes the identification of potential risks, continuous monitoring of existing risks, and the development of effective mitigation strategies. The Company's risk management approach emphasises proactive risk reporting, thorough risk assessment, and the implementation of measures to mitigate identified risks, all of which support the Company's commitment to long-term, stable growth. The effectiveness of this risk management policy is regularly reviewed and analysed by the Board, ensuring that the Company remains well-prepared to manage its risk profile.

Human Resources

The Company is committed to fostering a professional and inclusive workplace that upholds the values of fairness, equity, and respect. By promoting collaboration and knowledge sharing among employees, the Company ensures a dynamic and supportive environment contributing to overall growth and success. The focus on effective human resource management is evident in aligning department business plans, team performance goals, and corporate objectives.

Regular employee performance assessments are conducted to ensure alignment with job responsibilities and recognise the impact of their contributions. The Company also invests in the continuous development of its employees through skill-building sessions, offering opportunities for career advancement and personal growth. As of March 31, 2024, the Company employs 122 individuals, each playing a crucial role in driving the organisation forward.

122

Total number of employees

Internal Control Systems and Their Adequacy

Internal financial control over financial reporting in an organisation is a procedure 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 (GAAP). A company's internal financial control over financial reporting encompasses policies and procedures that:

- **Record Maintenance:** Ensure that records are maintained in reasonable detail, accurately reflecting the transactions and dispositions of the company's assets.
- **Transaction Assurance:** Provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with GAAP, ensuring that receipts and expenditures are made only with proper authorisation by the company's management and directors.
- **Asset Protection:** Offer reasonable assurance for preventing or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could materially affect the financial statements.

Par Drugs And Chemicals Limited has an adequate internal financial control system over financial reporting in all material respects. These controls were operating effectively as of March 31, 2024, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control as outlined in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Cautionary Statement

The Management Discussion and Analysis may contain forward-looking statements that reflect the Company's goals, estimates, and expectations. However, due to various risks and uncertainties, actual results could significantly differ from those expressed or implied. Key factors that may affect the Company's operations include the political and economic environment in India and other countries where the Company operates, currency exchange rate volatility, and changes in governmental laws.

The Company emphasises building core competencies that align with the values and capabilities necessary for success at both personal and organisational levels. It consistently monitors employee development and addresses ongoing concerns to help employees meet objectives while aligning performance expectations with corporate goals, regulations, tax laws, statutes, and other external factors. The Company disclaims any obligation to update or alter forward-looking statements in light of new information, unforeseen developments, or other circumstances.

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
PAR DRUGS AND CHEMICALS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of PAR DRUGS AND CHEMICALS LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in

forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

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

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

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

Management's Responsibility for Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing ("SAs"), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements:

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 29.4 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing

or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- v. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 29.5 to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- vii. During the year company has not declare or paid any dividend, hence reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2024.
- viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2024 and company has maintained books of accounts using accounting software which has a feature of reporting audit trail.

SARUPRIA SOMANI & ASSOCIATES
(Firm Registration No – 010674C)
CHARTERED ACCOUNTANTS

Sd/-
MIRAL MEHTA (Partner)
M.No.145361
UDIN: 24145361BKFORR2782

Bhavnagar
09th May, 2024

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, 2024.

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

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its property, plant and equipment. The accounting aspects of property, plant and equipment are dealt with Ind AS 16. The company has also maintained proper records showing full particulars of intangible assets, if any.
(b) These fixed assets have been physically verified by the management at reasonable intervals and there were no Material discrepancies were noticed on such verification.
(c) All immovable assets of company and the title deeds of immovable properties are held in the name of the company.
No any property, plant and equipment (including right to use assets) or intangible asset have been revalued during the year.
(d) No any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
2. (a) Physical verification of inventory has been conducted at reasonable intervals by the management and there are no material discrepancies were noticed. The coverage and procedure of such verification by the management is appropriate.
(b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
3. (a) The company has not provided any loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity other than companies whose principal business is to give loans.
(b) No any investment made, guarantees provided, security given and none of the term and conditions of the grant of all loans and advances are prejudicial to the company's interest. No any amount is overdue for more than ninety days. No any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
(c) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment,
4. In respect of loans, investments, guarantees and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposits.
6. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records u/s. 148 of the Companies Act, 2013 and are of opinion that prima-facie prescribed accounts have been made and maintained. We have not however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. (a) The company is regular in depositing undisputed statutory dues including Goods and Service Tax, Provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
(b) Dues of income tax or goods and service tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time and there is no dispute is pending on the part of company.
8. No any transactions which are not recorded in the books of account, have been surrender or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. (a) The company has not made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
(b) No any bank or financial institution or other lender has declared the company as a defaulter.
(c) During the year, no any term loan is outstanding.
(d) During the year, no any short term funds has been raised.

- (e) The company doesn't have any subsidiaries, associates or joint ventures.
- (f) Since company doesn't have any subsidiaries, associates or joint ventures, no question of raising fund on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
10. (a) The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments).
- (b) The company has not made any preferential allotment or private placement of shares of convertible debentures during the year.
11. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately. Hence, no any separate disclosure required under sub-section (12) of section 143 of the companies act in prescribed form of ADT-4. No any whistle-blower complaints have been filed.
12. Company is not a Nidhi Company, therefore, nothing to be disclosed for any provisions applicable on Nidhi Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
14. The company has the proper internal audit system commensurate with the size and nature of its business. We have broadly reviewed the reports of the internal auditors for the period under audit.
15. The company hasn't entered into any non-cash transactions as described in section 192 of the Companies Act with directors or persons connected with him.
- (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from RBI.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI.
17. The company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
18. During the year, there has been no any resignation of the statutory auditor.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the opinion that no material uncertainty exists as on the date of the audit report. The company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. There is no any unspent amount to Fund specified in Schedule VII or shortfall which to be spent by the company in respect to CSR activities in compliance with section 135 of the companies act,2013.
21. There have not been any qualifications or adverse remarks in the Companies (Auditor's Report) Order (CARO) reports of the companies.

SARUPRIA SOMANI & ASSOCIATES
(Firm Registration No – 010674C)
CHARTERED ACCOUNTANTS

Sd/-
MIRAL MEHTA (Partner)
M.No.145361
UDIN: 24145361BKFORR2782

Bhavnagar
09th May, 2024

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 2024 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 2024, 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.

SARUPRIA SOMANI & ASSOCIATES
(Firm Registration No – 010674C)
CHARTERED ACCOUNTANTS

Sd/-
MIRAL MEHTA (Partner)
M.No.145361
UDIN: 24145361BKFORR2782

Bhavnagar
09th May, 2024

BALANCE SHEET

AS AT 31ST MARCH, 2024

Particulars	Note No.	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	4,130.99	3,844.91
(b) Capital Work-in-Progress	3	2.50	24.54
(c) Investment in Property		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets		-	-
(f) Intangible Assets Under Development		-	-
(g) Biological Assets Other Than Bearer Plant		-	-
(h) Financial Assets			
(i) Investments	4	1.19	1.00
(ii) Trade receivables		-	-
(iii) Loans		-	-
(i) Deferred Tax Assets (net)		-	-
(j) Other non-current assets	5	64.07	72.63
Total Non-Current Assets		4,198.76	3,943.09
(2) Current Assets			
(a) Inventories	6	417.70	537.89
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	7	1,371.42	1,696.89
(iii) Cash and cash equivalents	8	3,665.39	2,224.30
(iv) Bank balances other than (iii) above		-	-
(v) Loans	9	9.48	7.65
(vi) Other Financial Assets		-	-
(c) Current Tax Assets (Net)	10	470.24	413.81
(d) Other Current Assets	11	28.12	63.16
Total Current Assets		5,962.36	4,943.70
TOTAL ASSETS		10,161.11	8,886.79
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	1,230.46	1,230.46
(b) Other Equity	13	7,332.74	5,893.37
Total Equity		8,563.20	7,123.83
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ia) Lease Liabilities		-	-
(ii) Trade Payables:-			
(A) Total outstanding dues of micro and small enterprises; and		-	-
(B) Total outstanding dues of creditors other than micro and small enterprises		-	-
(iii) Other financial liabilities		-	-
(b) Provisions	14	-	14.02
(c) Deferred Tax Liabilities (Net)	15	354.00	350.00
(d) Other Non-Current Liabilities		-	-
Total Non-Current Liabilities		354.00	364.02
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ia) Lease Liabilities		-	-
(ii) Trade Payables:-	16		
(A) Total outstanding dues of micro and small enterprises; and		73.70	16.00
(B) Total outstanding dues of creditors other than micro and small enterprises		461.92	793.15
(iii) Other financial liabilities		-	-
(b) Other Current Liabilities	17	193.86	198.22
(c) Provisions	18	514.43	391.57
(d) Current Tax Liabilities (Net)		-	-
Total Current Liabilities		1,243.91	1,398.94
TOTAL EQUITY AND LIABILITIES		10,161.11	8,886.79
Significant Accounting Policies	1	-	-0.00
Notes forming part of the financial statements	2-32		

As per our report of even dated.

For, Sarupria Somani & Associates
Firm Regn. No.010674C
Chartered Accountants

Sd/-
Miral Mehta (Partner)

M.No.145361
UDIN - 24145361BKF0R2782

Bhavnagar, 09th May, 2024

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

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

Sd/-
Chintan P Chauhan
(CFO)

Bhavnagar, 09th May, 2024

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

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

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note No.	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
I. Revenue from operations	19	9,564.04	9,574.88
II. Other income	20	24.23	23.83
III. Total Income (I + II)		9,588.27	9,598.71
IV. Expenses:			
Cost of materials consumed	21	3,331.88	4,102.73
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	22	47.30	-70.23
Employee benefits expense	23	549.89	488.79
Finance costs	24	10.71	13.32
Depreciation and amortization expense	25	343.61	323.32
Other expenses	26	3,353.23	3,232.85
Total expenses (IV)		7,636.61	8,090.79
V. Profit / (loss) before exceptional items and tax (III-IV)		1,951.66	1,507.92
VI. Exceptional items		-	-
VII. Profit / (loss) before tax (V - VI)		1,951.66	1,507.92
VIII. Tax expense:			
(1) Current tax		497.56	379.51
(2) Deferred tax		4.00	-5.00
IX Profit / (Loss) for the period from continuing operations (VII-VIII)		1,450.10	1,133.41
X Profit / (loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit / (loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit / (Loss) for the period (IX + XII)		1,450.10	1,133.41
XIV Other Comprehensive Income			
A (i) items that will not be reclassified to profit or loss		-	-
(ii) income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) items that will be reclassified to profit or loss		-	-
(ii) income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (comprising profit / (loss) and other comprehensive income for the period) (XIII + XIV)		1,450.10	1,133.41
XVI Earnings per equity share (for discontinued operation)	27		
(1) Basic		-	-
(2) Diluted		-	-
XVII Earnings per equity share (for discontinued & continuing operation)	27		
(1) Basic		11.78	9.21
(2) Diluted		11.78	9.21
Significant Accounting Policies	1		
Notes forming part of the financial statements	2-32		

As per our report of even dated.

For, Sarupria Somani & Associates
Firm Regn. No.010674C
Chartered Accountants

Sd/-
Miral Mehta (Partner)

M.No.145361
UDIN - 24145361BKFORR2782

Bhavnagar, 09th May, 2024

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

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

Sd/-
Chintan P Chauhan
(CFO)

Bhavnagar, 09th May, 2024

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

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

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2024

PARTICULARS	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	1,951.66	1,507.92
Adjusted for:		
Depreciation	343.61	323.32
Income-tax/Prior Year Adjustment	-10.73	2.70
Interest Expense	-	0.24
Rent, Interest & Dividend Income	-23.21	-9.54
Profit/Loss on sale of assets	-0.82	-14.28
	308.84	302.44
Operating Profit / (loss) before working capital changes	2,260.51	1,810.36
Adjustments for changes in working capital		
Adjustments for (increase)/decrease in operating assets		
Loans & Other Non-Current Assets	8.56	3.85
Inventories	120.19	-66.62
Trade Receivables	325.47	149.83
Loans (Current Assets)	-1.82	-2.64
Other Current Assets	35.03	27.58
Adjustments for increase/(decrease) in operating liabilities		
Provisions (Non-Current Liabilities)	-14.02	-14.48
Provisions (Current Liabilities)	4.81	-5.44
Other Current Liabilities	-4.36	118.60
Trade Payables	-273.52	-257.03
	200.34	-46.34
Cash Generated from / (used in) Operating activities	2,460.84	1,764.01
Less: Income-Tax paid	-435.95	-426.31
Net Cash generated from / (used in) Operating Activities:	2,024.89	1,337.71
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-608.03	-763.36
Sales of Fixed Assets	1.20	20.00
Sale of Investment	-0.19	-
Rent, Interest & Dividend Income	23.21	9.54
	-583.81	-733.81
Net Cash generated from / (used in) Investing Activities:	-583.81	-733.81
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Shares	-	-
Proceeds from Long Term Borrowings	-	-
Repayment of Long Term Borrowings	-	-
Repayment of Short Term Borrowings	-	-
Dividend Paid	-	-
Interest paid	-	-0.24
	-	-0.24
Net Cash generated from / (used in) Financing Activities:	-	-0.24
Net Increase/(Decrease) in Cash and Cash Equivalents	1,441.09	603.66
Opening Balance of Cash and Cash Equivalents	2,224.30	1,620.64
Closing Balance of Cash and Cash Equivalents	3,665.39	2,224.30
Total:	1,441.09	603.66

- 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.
- 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, Sarupria Somani & Associates
Firm Regn. No.010674C
Chartered Accountants

Sd/-
Miral Mehta (Partner)

M.No.145361
UDIN - 24145361BKF0RR2782

Bhavnagar, 09th May, 2024

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

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

Sd/-
Chintan P Chauhan
(CFO)

Bhavnagar, 09th May, 2024

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

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

NOTES NO.01 : SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31ST MARCH, 2024

(A) Corporate Information

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

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

(B) Significant Accounting Policies

1) Basis of Preparation of Financial Statement

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

2) Use of Estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported

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

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

Tangible Assets:

All items of fixed assets are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred

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

Intangible Assets:

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises

the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes and allocated incidental expenditure during development / acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

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

Assets Acquired as Lease:

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

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

Advances paid towards the acquisition of Property, Plant and Equipment

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

4) Impairment of Assets:

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

5) Investments:

Investments, which are readily realizable and intended to be held for not more than 12 months from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly

attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

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

- a) Raw Materials : Valued at Cost Price.
- b) Finished goods : Valued at lower of Cost or Net Realizable Value.
- c) Stock in Process : Valued at Cost Price.

7) Employee Benefits:

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

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

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

8) Revenue Recognition:

- (A) Revenue/income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred, except those with significant uncertainties.
- (B) Sales are recognized at the point of dispatch of goods to the customers. Sales are net of discounts, GST and returns.
- (C) Interest income is recognized on time proportion basis.
- (D) Dividend on Investments is accounted when approved by the shareholders' in the annual general meeting.
- (E) Insurance claim receivable is recognized in the year of the loss to the extent ascertainable.
- (F) The CENVAT / GST Credit available on purchase of raw materials / capital items and other eligible inputs are adjusted against GST payable on clearance of finished goods.

9) Foreign Currency Transaction:

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

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

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

10) Accounting for Government Grants/Refunds:

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

11) Taxation

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

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

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

Company has policy of not considering MAT tax credit available to them under the Income Tax Act.

12) Borrowing Cost:

Borrowing Costs relating to the acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charge to revenue.

13) Earning Per Share:

Basic earning per share is calculated by dividing the net profit or loss after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding during the year.

Diluted earning per Share is calculated by dividing net profit or loss attributable to equity Shareholders by the weighted average number of equity shares outstanding during the year with adjustment of all dilutive potential equity shares.

14) Provisions, Contingent Liabilities & Contingent Assets:

The company recognizes as provisions, the liability being present obligations arising from past events, the settlement of which is expected to result in outflow of resources and which can be measured only by using a substantial degree of estimation. Contingent liabilities are disclosed by way of a note to the financial statement after careful evaluation by the management of the facts and legal aspect of the matters involved. Contingent assets are being neither recognized nor disclosed.

15) 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 No.2. PROPERTY, PLANT AND EQUIPMENT :(NON-CURRENT ASSETS)

Particulars	Land	Buildings	Plant & Machineries	Furniture & Fixtures	Vehicles	Others	Total
Gross carrying amount							
As on 01-04-2023	62.08	1,831.83	4,055.79	115.87	264.24	427.46	6,757.27
Additions	252.75	150.25	84.98	55.07	26.54	60.48	630.07
Disposals	-	-	-	-	-3.12	-	-3.12
Effect of foreign exchange movements	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-
As on 31.03.2024	314.84	1,982.08	4,140.77	170.94	287.66	487.93	7,384.22
Depreciation and impairments							
As on 01-04-2023	-	462.51	1,941.57	41.77	233.19	233.32	2,912.36
Depreciation	-	60.54	229.34	11.66	13.17	28.91	343.61
Impairments	-	-	-	-	-2.75	-	-2.75
Effect of foreign exchange movements	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-
As on 31.03.2024	-	523.05	2,170.90	53.42	243.62	262.23	3,253.23
Net book value 31.03.2024	314.84	1,459.03	1,969.86	117.52	44.04	225.70	4,130.99
Net book value 31.03.2023	62.08	1,369.32	2,114.22	74.11	31.05	194.14	3,844.91

NOTES No.3. CAPITAL WORK-IN-PROGRESS :(NON-CURRENT ASSETS)

Rs in Lakhs

Particulars	Buildings	Plant & Machineries	Furniture & Fixtures	Total
Gross carrying amount				
As on 01-04-2023	24.54	-	-	24.54
Additions	-24.54	2.50	-	-22.04
Disposals	-	-	-	-
Effect of foreign exchange movements	-	-	-	-
Other movements	-	-	-	-
As on 31.03.2024	-	2.50	-	2.50
Depreciation and impairments				
Depreciation	-	-	-	-
Impairments	-	-	-	-
Effect of foreign exchange movements	-	-	-	-
Other movements	-	-	-	-
As on 31.03.2024	-	-	-	-
Net book value 31.03.2024	-	2.50	-	2.50
Net book value 31.03.2023	24.54	-	-	24.54

CAPITAL WORK-IN-PROGRESS AGING SCHEDULE
Rs in Lakhs

Capital Work-In-Progress	Amount in Capital WIP for a period of				Total
	Less than 1 Year	1-2 year	2-3 year	More than 3 year	
Project in progress- Factory Building	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

NOTES No.4. INVESTMENTS (NON-CURRENT - FINANCIAL ASSETS) :

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
1 Investments in Mutual Fund (Quoted);		
a) ABCL Low Duration Fund	1.19	1.00
TOTAL: INVESTMENTS	1.19	1.00

NOTES No.5. OTHER NON-CURRENT ASSETS (NON-CURRENT-FINANCIAL ASSETS) :

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
1 Security Deposits;		
a Unsecured, considered good;	64.07	57.62
	64.07	57.62
2 Other loans and advances: Unsecured, considered good;		
a Income Tax Refund Receivable	-	15.01
b Mat Tax Credit	-	-
	-	15.01
TOTAL: LOANS	64.07	72.63

NOTES No.6. INVENTORIES :(CURRENT ASSETS)

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
- Raw Materials.	38.17	92.37
- Finished goods.	309.04	310.80
- Semi-finished goods.	19.81	65.35
- Packing Material.	29.31	38.78
- Fuel, Fire wood & lignite	21.37	30.60
TOTAL: INVENTORIES	417.70	537.89

- 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.
- The quantity and value of the stock as taken & certified by the directors of the company.

NOTES No.7. TRADE RECEIVABLES :(CURRENT ASSETS-FINANCIAL ASSETS)

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
1 Trade Receivables Aging Schedule		
Particulars		
Outstanding for Less than 6 months		
Undisputed Trade receivables – considered good	1,359.97	1,574.91
Undisputed Trade Receivables – considered doubtful	-	-
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Outstanding for 6 months - 1 years		-
Undisputed Trade receivables – considered good	-	7.38
Undisputed Trade Receivables – considered doubtful	-	112.12
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Outstanding for 1 years - 2 years		-
Undisputed Trade receivables – considered good	7.47	-
Undisputed Trade Receivables – considered doubtful	0.45	0.48
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Outstanding for 2 years - 3 years		-
Undisputed Trade receivables – considered good	-	2.00
Undisputed Trade Receivables – considered doubtful	1.54	-
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Outstanding for More than 3 years		-
Undisputed Trade receivables – considered good	2.00	-
Undisputed Trade Receivables – considered doubtful	-	-
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
TOTAL: TRADE RECEIVABLES	1,371.42	1,696.89

NOTES No.8.CASH AND CASH EQUIVALENTS:(CURRENT ASSETS-FINANCIAL ASSETS)

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
Cash and cash equivalents:		
a Balances with banks;		
In current accounts	3,350.75	1,922.94
b Cash on hand	1.59	1.20
	3,352.33	1,924.14
c Deposits with Banks maturity more than 3 months but less than 12 months	313.06	300.16
TOTAL: CASH AND CASH EQUIVALENTS	3,665.39	2,224.30

NOTES No.9. LOANS (CURRENT ASSETS - FINANCIAL ASSETS) :

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
Other loans		
Unsecured, considered good unless stated otherwise:		
a Loans to Employee	9.48	7.65
	9.48	7.65
TOTAL: LOANS	9.48	7.65

NOTES No.10. CURRENT TAX ASSETS (NET): (CURRENT ASSETS)

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
a Advance Payment of Taxes	470.24	413.81
TOTAL: CURRENT TAX ASSETS (NET)	470.24	413.81

NOTES No.11. OTHER CURRENT ASSETS: (CURRENT ASSETS)

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
Other Current Assets:		
Unsecured, considered good unless stated otherwise:		
a Pre-paid Expense	3.72	4.29
b Balances with Govt. Authorities	-	-
c Other (Interest Receivable)	-	-
d Other (MEIS Receivable)	-	-
e Advance to suppliers of goods & services.	24.41	58.87
	28.12	63.16
TOTAL: OTHER CURRENT ASSETS	28.12	63.16

NOTES No.12. EQUITY SHARE CAPITAL :

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
1 Authorised Shares:authorized;		
1,25,00,000 (Prev.Yr.1,25,00,000) Equity Shares of Rs.10/- each.	1,250.00	1,250.00
	1,250.00	1,250.00
2 Issued, subscribed and fully paid Shares		
1,23,04,636 (Prev.Yr 1,23,04,636) Equity Shares of Rs.10/- each Fully paid up	1,230.46	1,230.46
	1,230.46	1,230.46

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

Equity Shares	AS AT 31.03.2024 No. of Shares	AS AT 31.03.2023 No. of Shares
At the beginning of the period	1,23,04,636	1,23,04,636
Issued during the period	-	-
Outstanding at the end of the period	1,23,04,636	1,23,04,636

4 Terms & Right attached to Equity Shares

Equity Shares: The company has only one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend if any proposed by the Board of Director is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts and payment of preference shareholders, in proportionate to their shareholding.

5 Reconciliation of share capital outstanding at the beginning and at the end of the reporting period;

a) Share Capital at the end of the year 31st March, 2024

Rs in Lakhs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,230.46	-	1,230.46	-	1,230.46
(1,23,04,636 Equity Shares of Rs.10/- each Fully paid up)		(1,23,04,636 Equity Shares of Rs.10/- each Fully paid up)		(1,23,04,636 Equity Shares of Rs.10/- each Fully paid up)

b) Share Capital at the end of the year 31st March, 2023

Rs in Lakhs

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
1,230.46	-	1,230.46	-	1,230.46
(1,23,04,636 Equity Shares of Rs.10/- each Fully paid up)		(1,23,04,636 Equity Shares of Rs.10/- each Fully paid up)		(1,23,04,636 Equity Shares of Rs.10/- each Fully paid up)

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

	AS AT 31.03.2024 No. & (%) of Shares Held	AS AT 31.03.2023 No. & (%) of Shares Held
a) Equity Shares, fully paid up:		
Jignesh Vallabhbhai Savani	2692440 (21.88%)	2692440 (21.88%)
Falgun Vallabhbhai Savani	2645952 (21.50%)	2645952 (21.50%)
Saritaben Vallabhbhai Savani	2623204 (21.32%)	2623204 (21.32%)
Ghanshyambhai B Savani	802284 (6.52%)	802284 (6.52%)

7 Shares in the company held by each promoter at the end of the year

Sr No	Promoter Name	No. of Shares (% of Total Shares)	% Change During the Year
1	Falgun Vallabhbhai Savani	2645952 (21.5%)	0.00%
2	Jignesh Vallabhbhai Savani	2692440 (21.88%)	0.00%
		5338392 (43.39%)	0.00%

NOTES No.13. OTHER EQUITY :

1) Other Equity Fund as on AS AT 31.03.2024

Rs in Lakhs

	Reserves and Surplus										Total				
	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium Reserve	General Reserve	Surplus/ (Deficit) in the statement of Profit & Loss	Retained Earnings	Debt instruments through Comprehensive Income	Equity Instruments through Comprehensive Income	Effective portion of Cash Flow Hedges		Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Comprehensive Income (specify nature)	Money received against share warrants
Balance at the beging of the current reporting period	-	-	6.86	1,067.26	3.50	4,815.75	-	-	-	-	-	-	-	-	5,893.37
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	6.86	1,067.26	3.50	4,815.75	-	-	-	-	-	-	-	-	5,893.37
Total Comprehensive Income for the current year	-	-	-	-	-	1,450.10	-	-	-	-	-	-	-	-	1,450.10
Profit/(Loss) for the year	-	-	-	-	-	1,450.10	-	-	-	-	-	-	-	-	1,450.10
LESS :															
Interim Dividend to Equity Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income-tax Adj. of earlier year	-	-	-	-	-	-10.73	-	-	-	-	-	-	-	-	-10.73
Issue of Bonus Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	6.86	1,067.26	3.50	6,255.12	-	-	-	-	-	-	-	-	7,332.74

2) Other Equity Fund as on AS AT 31.03.2023

	Reserves and Surplus											Total			
	Share application money pending allotment	Equity component of compound financial instruments	Capital Total Reserve	Securities Premium Reserve	General Reserve	Surplus/(Deficit) in the statement of Profit & Loss	Retained Earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus		Exchange differences on translating the financial statements of a foreign operation	Other items of Comprehensive Income (specify nature)	Money received against share warrants
Balance at the beginning of the current reporting period	-	-	6.86	1,067.26	3.50	3,679.64	-	-	-	-	-	-	-	-	4,757.26
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	6.86	1,067.26	3.50	3,679.64	-	-	-	-	-	-	-	-	4,757.26
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-	1,133.41	-	-	-	-	-	-	-	-	1,133.41
LESS :															
Interim Dividend to Equity Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income-tax Adj. of earlier year	-	-	-	-	-	2.70	-	-	-	-	-	-	-	-	2.70
Issue of Bonus Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	6.86	1,067.26	3.50	4,815.75	-	-	-	-	-	-	-	-	5,893.37

NOTES No.14. PROVISIONS (NON-CURRENT - FINANCIAL LIABILITIES) :

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
1 Provision for employee benefits		
Provision for Gratuity	-	14.02
TOTAL: PROVISIONS	-	14.02

NOTES No.15. DEFERRED TAX LIABILITIES (NET) :

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
Deferred Tax Liabilities		
1 Fixed Assets: Impact of difference between Book and Tax Depreciation	358.00	357.00
Gross Deferred Tax Liabilities	358.00	357.00
Deferred Tax Assets		
1 Provision for Gratuity.	4.00	7.00
Gross Deferred Tax Assets	4.00	7.00
TOTAL: DEFERRED TAX LIABILITIES (NET)	354.00	350.00

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.16. TRADE PAYABLES:- (CURRENT LIABILITIES - FINANCIAL LIABILITIES) :

Trade Payable Aging Schedule	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
Particulars		
Outstanding for Less than 1 year		
Undisputed Dues of MSME	73.70	16.00
Undisputed Dues of Others	427.51	786.82
Disputed Dues of MSME	-	-
Disputed Dues of Others	-	-
Outstanding for 1 years - 2 years		
Undisputed Dues of MSME	-	-
Undisputed Dues of Others	28.83	0.74
Disputed Dues of MSME	-	-
Disputed Dues of Others	-	-
Outstanding for 2 years - 3 years		
Undisputed Dues of MSME	-	-
Undisputed Dues of Others	-	0.32
Disputed Dues of MSME	-	-
Disputed Dues of Others	-	-
Outstanding for More than 3 years		
Undisputed Dues of MSME	-	-
Undisputed Dues of Others	0.32	-
Disputed Dues of MSME	-	-
Disputed Dues of Others	5.27	5.27
TOTAL: TRADE PAYABLES:-	535.62	809.14

NOTES No.17. OTHER CURRENT LIABILITIES :

	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
1 Current maturities of long-term debt	-	-
2 Income received in advance/Advance from Customers	0.51	6.23
3 Unpaid dividends	0.21	0.03
4 Other Payables:		
Statutory liabilities	48.89	42.93
Provision for Expense	113.76	124.24
Remuneration Payable to Director	11.15	9.26
Salary & Wages Payable	19.34	15.54
	193.14	191.97
TOTAL: OTHER CURRENT LIABILITIES	193.86	198.22

NOTES No.18. PROVISIONS (CURRENT LIABILITIES - FINANCIAL LIABILITIES) :

	AS AT 31.03.2024	AS AT 31.03.2023
1 Provision for employee benefits		
Provision for Gratuity	16.87	12.06
	16.87	12.06
2 Others:		
Provision for Taxation.	497.56	379.51
Proposed Dividend to Equity Shareholders.	-	-
	497.56	379.51
TOTAL: PROVISIONS	514.43	391.57

NOTES No.19. REVENUE FROM OPERATIONS :

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Sales of Products		
Finished Goods Sold during the year:	9,510.66	9,509.50
GST Recovered.	1,162.24	1,256.96
	10,672.89	10,766.47
Other Operating Revenue		
Job & Other Work Income.(Bhavnagar)	-	-
Discount, Kasar & Rebate	0.01	0.27
Duty Drawback & Export License Sale Income	19.40	22.90
Exchange Rate Difference	33.98	42.19
Misc. Income	-	0.02
	53.39	65.38
Revenue From operations (Gross)	10,726.28	10,831.85
Less : GST	1,162.24	1,256.96
TOTAL: REVENUE FROM OPERATIONS	9,564.04	9,574.88
FOB Value of Exports	2,328.94	1,997.59

NOTES No.20. OTHER INCOME :

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Interest Income	23.21	7.19
Other non-operating income:		
Insurnace & Other Claim Income	-	2.36
Donation W/Back Income	-	-
CSR Activity Fund W/Back	-	-
Bad Debt W/Back Income	-	-
Gain on Investments	0.19	
Profit on Sale of Assets	0.82	14.28
	1.02	16.64
TOTAL: OTHER INCOME	24.23	23.83

NOTES No.21. COST OF MATERIALS CONSUMED

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Raw Materials Consumed		
Inventory at the beginning of the year	92.37	123.72
Add: Purchases	3,277.69	4,071.37
	3,370.05	4,195.10
Less: Inventory at the end of the year	-38.17	-92.37
TOTAL:	3,331.88	4,102.73
Value of Raw materials consumed in Percentage:		
Imported	0%	0%
Indigenous	100%	100%

NOTES No.22. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS :

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Inventories at the end of the year		
Bhavnagar Unit:		
Finished Good	309.04	310.80
Semi-Finished Good	19.81	65.35
	328.85	376.15
Inventories at the beginning of the year		
Bhavnagar Unit:		
Finished Good	310.80	283.23
Semi-Finished Good	65.35	22.69
Ankleshwar Unit:		
Finished Good	-	-
Semi-Finished Good	-	-
	376.15	305.92
TOTAL CHANGE (Net)	47.30	-70.23

NOTES No.23. EMPLOYEE BENEFITS EXPENSE :

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Salaries, Wages & Bonus	474.28	420.23
Contribution to Funds	27.18	18.44
Gratuity Expense	35.20	41.93
Staff welfare expenses	13.23	8.19
TOTAL: EMPLOYEE BENEFITS EXPENSE	549.89	488.79
Salaries, Wages & bonus includes:		
Remuneration to the Managing Directors & other Whole time Directors:	166.50	154.50

As per Ind AS 19 "Employee benefits", the disclosure defined in the accounting standard are given as below:

During the year salary structure of the employee has been revised and terminal benefits of few employees are also reduced, due to which actuarial gain incurred and provision for gratuity has been revised accordingly

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

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Employer's Contribution to Provident Fund	21.45	13.75
Contribution to Employees Linked Funds	-	-
Re-imb.of Contribution to PF & ESI of Contractors	5.73	4.69

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	35.20	41.93
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NOTES No.24. FINANCE COSTS :

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Interest on Long term borrowings to Banks	-	-
Interest on Short term borrowings to Banks	0.00	0.24
Interest on Unsecured loans	-	-
Bank charges & Processing Fees	10.71	13.08
TOTAL: FINANCE COSTS	10.71	13.32

NOTES No.25. DEPRECIATION AND AMORTIZATION EXPENSE :

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Depreciation/Amortization of tangible assets	343.61	323.32
Total Depreciation And Amortization Expense	343.61	323.32

NOTES No.26. OTHER EXPENSES :

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Manufacturing expenses.		
Bhavnagar Unit:		
Freight Octroi & Transportation.	312.12	357.19
Fuel & Fire wood.	1,140.37	1,313.47
Laboratory Expenses.	22.18	17.69
Machinery Repairs & Maintanance.	86.09	65.84
Motive Power.	335.81	290.56
Packing material consumed.	208.82	208.02
Stores & Spares	1.86	1.43
Water, Dranage & Development Charges.	163.75	179.27
Testing Expense	6.64	4.97
Factory Expense.	231.44	169.55
	2,509.07	2,607.99
Administrative expenses.		
Bhavnagar Unit:		
Auditor's Remuneration	4.40	4.65
Bad Debts	112.12	-
Charity & Donation	0.59	0.36
Communication Expense	3.94	2.07
Director Sitting Fees	4.20	3.65
Insurance Premium	25.61	32.78
Legal & Professional Fees	50.72	29.83
Other Administrative Expenses	42.46	26.30
Rent, Rates & Taxes	12.56	6.87
Sales & Distribution Expenses	538.20	476.38
Vehicle Running & Maint.	13.02	13.87
CSR Activity Fund	27.34	21.21
Traveling & Conveyance Expense	8.97	6.90
	844.16	624.87
TOTAL: OTHER EXPENSES	3,353.23	3,232.85
Payment to auditor includes		
Statutory Audit Fees	2.60	1.80
Other Fees	-	0.55
Internal Auditor's Fees	1.80	1.80
Expenditure in Foreign Exchange		
Commission Expenses (Included in Sales & Distribution Expenses)	466.30	320.30
Value of Stores & Spares Consumed in Percentage		
Imported	0.00%	0.00%
Indigenous	100.00%	100.00%

NOTES No.27. EARNINGS PER EQUITY SHARE (FOR DISCONTINUED & CONTINUING OPERATION) :

	2023-2024 Rs in Lakhs	2022-2023 Rs in Lakhs
Total operations for the year		
Profit/(loss) after tax	1,450.10	1,133.41
Less: Dividends on convertible preference share & tax thereon	-	-
Net profit/(loss) available for equity shareholders	1,450.10	1,133.41
Weighted average number of equity shares in calculating basic EPS	1,23,04,636	1,23,04,636
Weighted average number of equity shares in calculating diluted EPS	1,23,04,636	1,23,04,636
Earning Per Share:		
(1) Basic	11.78	9.21
(2) Diluted	11.78	9.21

NOTES No.28. CONTINGENT LIABILITIES :

<u>Contingent liabilities in respect of:</u>		
1 Claims against the company not acknowledged as debts	-	-
2 Bank Gaurantee issued by bank		-
Kotak Mahindra Bank	10.06	10.06
3 Bills discounted from bank	-	-
4 Letter of credit outstanding	-	-

NOTES NO.29:

29.1 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.

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

29.3 The Company is primarily engaged in manufacturing of API, which constitute single business segment in terms of Ind AS - 108 on "Operating Segments". Accordingly, there are no separate reportable segments as per Ind AS - 108.

29.4 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

29.5 The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

NOTES NO.30: RELATED PARTY DISCLOSURES :

Disclosure of Transactions with related parties as required under Ind AS 24 on Related Party Disclosures are given below :

A) The related parties where common control exists :

i) Key Managerial Personnel :

Falgunbhai V Savani	Managing Director
Jignesh V Savani	CEO
Ghanshyambhai B Savani	Whole-Time Director
Sanket Bhupendrabhai Trivedi	Company Secretary
Chintan Pratapbhai Chauhan	Chief Financial Officer

ii) Relatives of Key Managerial Personnel

Prathambhai G Savani	Son of Whole-Time Director
Falgunbhai V Savani HUF	HUF of Managing Director
Jignesh V Savani HUF	HUF of CEO
Ghanshyambhai B Savani HUF	HUF of Whole-Time Director

iii) Non-Executive & Independent Directors

Naynaben J Savani	Non-Executive Director
Kajal Chitanbhai Vaghani	Independent Director
Krishna Mitulbhai Shah	Independent Director
Pravin Manjibhai Bhayani	Independent Director
Bintal Bhaveshkumar Shah	Independent Director

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

i) Transactions with Key Managerial Personnel :

Name	Nature Of Transcation	AS AT 31.03.2024	AS AT 31.03.2023
		Rs in Lakhs	Rs in Lakhs
Falgunbhai V Savani	Director's Remuneration	51.50	51.50
	Director Sitting Fees	0.60	0.45
	Re-imbursement of Exp.	-	0.08
	Closing balance-Salary	2.47	2.79
Jignesh V Savani	Director's Remuneration	51.50	51.50
	Director Sitting Fees	0.35	0.30
	Re-imbursement of Exp.	-	0.01
	Closing balance-Salary a/c	2.66	3.09
Ghanshyambhai B Savani	Director's Remuneration	51.50	51.50
	Director Sitting Fees	0.30	0.25
	Closing balance-Salary	3.29	3.19
Sanket Bhupendrabhai Trivedi	Salary	6.63	6.30
	Closing balance-Salary	0.20	0.43
Chintan Pratapbhai Chauhan	Salary	5.89	5.46
	Closing balance-Salary	0.44	0.36

ii) Transactions with Relatives of key Managerial Personnel during the period:

Name	Nature Of Transaction	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
Prathambhai G Savani	Salary	2.81	-
Falgunbhai V Savani HUF	Purchase of Immovable Property	76.90	
Jignesh V Savani HUF	Purchase of Immovable Property	76.90	
Ghanshyambhai B Savani HUF	Purchase of Immovable Property	76.90	-

iv) Transactions with Non-Executive & Independent Directors during the period:

Name	Nature Of Transaction	AS AT 31.03.2024 Rs in Lakhs	AS AT 31.03.2023 Rs in Lakhs
Naynaben J Savani	Director Sitting Fees	0.50	0.45
Kajal Chitanbhai Vaghani	Director Sitting Fees	0.40	0.45
Krishna Mitulbhai Shah	Director Sitting Fees	0.90	0.75
Pravin Manjibhai Bhayani	Director Sitting Fees	0.90	0.75
	Director's Remuneration	12.00	-
Bintal Bhaveshkumar Shah	Director Sitting Fees	0.25	0.25

NOTES NO.31: SIGNIFICANT RATIO :

Ratio	2023-24	2022-23	% Change in Ratio
Current Ratio [See Note-1]	4.79	3.53	35.64%
Debt-Equity Ratio	-	-	0.00%
Debt Service Coverage Ratio [See Note-2]	-	7,747.05	-100.00%
Return on Equity Ratio (%) (Before Tax)	22.79%	21.17%	7.67%
Inventory turnover ratio [See Note-3]	22.90	17.80	28.63%
Trade Receivables Turnover Ratio	0.14	0.18	-19.09%
Trade Payables Turnover Ratio [See Note-4]	0.06	0.08	-33.73%
Net Capital Turnover Ratio	2.03	2.70	-24.96%
Net Profit Ratio (%) (Before Tax) [See Note-5]	20.41%	15.75%	29.57%
Return on Capital Employed	0.22	0.20	8.66%
Return on Investment (%)	16.93%	15.91%	6.44%

- 1 Due to increase in cash and cash equivalents, Current Ratio has been increased
- 2 There is no outstanding debt, so the Debt Service Coverage Ratio is zero.
- 3 Inventory Turnover Ratio has been increased comparative to previous year. Such increase is due to reduction in inventory of raw material.
- 4 Trade payables turnover ratio has decreased because suppliers have been paid quickly.
- 5 As a result of the increase in margin, the Net Profit Ratio has increased in comparison with the previous year.

NOTES NO.32: CORPORATE SOCIAL RESPONSIBLY (CSR) ACTIVITIES:

Particulars	Rs in Lakhs
Amount required to be spent by the company during the year	27.02
Amount of expenditure incurred	27.34
Shortfall at the end of the year, if any	-
Excess expenditure incurred, if any	0.33
Total of previous years shortfall	-

Nature of CSR activities :- Expenditure incurred for CSR activity with Rotary Club (Society) of Bhavnagar, Rotary Service Center, Ghogha Circle, Bhavnagar-364001, Gujarat, India under the area of Health/Hygiene, a Mother's Milk Bank project for new born children, CSR Project named " Rotary Amrutalay"

No any contribution made to a trust controlled by the company in relation to CSR expenditure

As per our report of even dated.

For, Sarupria Somani & Associates
Firm Regn. No.010674C
Chartered Accountants

Sd/-
Miral Mehta (Partner)

M.No.145361
UDIN - 24145361BKFORR2782

Bhavnagar, 09th May, 2024

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

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

Sd/-
Chintan P Chauhan
(CFO)

Bhavnagar, 09th May, 2024

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

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

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DRUGS AND CHEMICALS LIMITED

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

Registered Office

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Gotri Vasna Road,
Vadodara-390007, Gujarat, India
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