
VASUNDHARA RASAYANS LIMITED

BOARD OF DIRECTORS

| | |
|--------------------------------|-----------------------------|
| Prakash Chand Jain | - Whole-time Director |
| Rajesh Pokerna | - Managing Director |
| Sunil Kumar Jain | - Whole-time Director |
| Sanjay Kumar Jain | - Whole-time Director |
| Seema Jain | - Whole-time Women Director |
| Pradeep Kumar Jain | - Independent Director |
| Pravichandra Majumdar Popatlal | - Independent Director |
| Rajiv Pritidas Kakodkar | - Independent Director |
| Rajesh Kumar Jain | - Independent Director |

STATUTORY COMMITTEES**AUDIT COMMITTEE**

| | |
|--------------------------------|------------|
| Pradeep Kumar Jain | - Chairman |
| Rajesh Kumar Jain | - Member |
| Pravichandra Majumdar Popatlal | - Member |
| Sunil Kumar Jain | - Member |

NOMINATION & REMUNERATION COMMITTEE:

| | |
|--------------------------------|------------|
| Pradeep Kumar Jain | - Chairman |
| Rajesh Kumar Jain | - Member |
| Pravichandra Majumdar Popatlal | - Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE:

| | |
|--------------------|------------|
| Pradeep Kumar Jain | - Chairman |
| Prakash Chand Jain | - Member |
| Sunil Kumar Jain | - Member |
| Rajesh Pokerna | - Member |

RISK MANAGEMENT COMMITTEE:

| | |
|--------------------|------------|
| Sunil Kumar Jain | - Chairman |
| Prakash Chand Jain | - Member |
| Rajesh Pokerna | - Member |

CHIEF FINANCIAL OFFICER

Sunil Kumar Jain

COMPANY SECRETARY

Santosh Kumar Jha

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AUDITORS

M/s. Mamta Jain & Associates,
Chartered Accountants
14, Walkins Lane, Howrah-711101 (WB),
Email : mamtajain20@gmail.com

INTERNAL AUDITOR

M/s.S.B.Kabra & Co.
Chartered Accountant
3-5-378/1, Metro Towers Vithawadi,
Narayanaguda Hyderabad-500029.

SECRETARIAL AUDITOR

Mrs. Rakhi Agarwal
6-3-660, Flat 520, Block 4,
Amrit Apartments, Kapadia Lane,
Somajiguda, Hyderabad -500 082

COMPLIANCE OFFICER

Santosh Kumar Jha

REGISTRAR & TRANSFER AGENT

CIL SECURITIES LIMITED
214, Raghavaratna Towers, Chiragali Lane, Abids Hyderabad,500001
Phone # +91-040-2320 2465
Email ID: advisors@cilsecurities.com Website: www.cilsecurities.com

FACTORY

C-104, MIDC Industrial Area,
Mahad (Dist, Raigad),
Maharashtra.

REGISTERED OFFICE:

Shed no. 42, Phase II,
IDA, Mallapur,
Hyderabad – 500076
Phone no.: 040-23437617, 040-23437623
Fax No.: 040-23437627
Email: info@vrlindia.in

VASUNDHARA RASAYANS LIMITED

NOTICE OF 34th ANNUAL GENERAL MEETING

NOTICE is hereby given that the **34th Annual General Meeting** of the members of **VASUNDHARA RASAYANS LIMITED** will be held through Video Conferencing, on Thursday, 30.09.2021 at 2.30 p.m. in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020 and 17/2020 dated 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively, to transact the following businesses.

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

ORDINARY BUSINESS(ES):

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon; and
2. To declare dividend of Rs.1.5/- per Equity Share of the Company for the financial year ended 31st March, 2021.
3. To appoint a Director in place of Shri Sunil Kumar Jain, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Sanjay Kumar Jain, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

Special Business(es):

5. Reappointment of Shri. Rajesh Pokerna as Managing Director, liable to retire by rotation.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to recommendation of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013, approval of the shareholders of the Company be and is hereby accorded, and subjected to such modifications, variations, as may be approved and accepted, to the re-appointment of Shri. Rajesh Pokerna, as a Managing Director of the Company with effect from 20.08.2021 for a period of 5 years on payment of salary, commission and perquisites upon the terms and conditions as decided by the Board of Directors and

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the Remuneration Committee in its meeting.

RESOLVED FURTHER THAT any one of the director be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings to give effect to the resolution.”

6. Re appointment of Shri. Prakash Chand Jain (DIN:00117348) as Whole time Director of the Company, liable to retire by rotation.

To consider and if thought fit, to pass following resolution with or without modification(s) as Special Resolution:

“RESOLVED THAT pursuant to recommendation of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the shareholders of the Company be and is hereby accorded, and subjected to such modifications, variations, as may be approved and accepted, to the re-appointment of Shri. Prakash Chand Jain, as a Whole Time Director of the Company with effect from 20.08.2021 for a period of 5 years on payment of salary, commission and perquisites upon the terms and conditions as decided by the Board of Directors and the Remuneration Committee in its meeting.

RESOLVED FURTHER THAT any one of the director be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings to give effect to the resolution.”

7. Re appointment of Smt. Seema Jain (DIN: 07158382) as Whole time Woman Director of the Company, liable to retire by rotation.

To consider and if thought fit, to pass following resolution with or without modification(s) as Special Resolution:

“RESOLVED THAT pursuant to recommendation of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the shareholders of the Company be and is hereby accorded, and subjected to such modifications, variations, as may be approved and accepted, to the re-appointment of Smt. Seema Jain (DIN: 07158382), as a Whole Time Woman Director of the Company with effect from 20.08.2021 for a period of 5 years on payment of salary, commission and perquisites upon the terms and conditions as decided by the Board of Directors and the Remuneration Committee in its meeting.

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RESOLVED FURTHER THAT any one of the director be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings to give effect to the resolution.”

Place: Hyderabad

Date: 03.09.2021

REGISTERED OFFICE

Shed No. 42, Phase II,
IDA, Mallapur,
Hyderabad - 500 076.
Telangana.

BY ORDER OF THE BOARD OF DIRECTORS

(PRAKASH CHAND JAIN)

WHOLE TIME DIRECTOR

DIN NO: 00117348

(RAJESH POKERNA)

MANAGING DIRECTOR

DIN NO: 00117365

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NOTES :

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. Information on all the Directors proposed to be appointed/re-appointed at the Meeting as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 are provided in the Annexure - A to this Notice.
2. **In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") /other Audio-Visual Means ("OAVM"), without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("ACT"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 34th AGM of the Company is being held through VC/OAVM.**
3. Pursuant to the provisions of the Act, generally a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12 May 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.vasundhararasayan.in, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of CIL Securities Limited, at <https://www.cilsecurities.com>.
5. Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-13, to the RTA of the Company. Further, Members desirous of cancelling/varying nomination pursuant to rule 19 (9)

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of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the RTA of the Company.

6. In terms of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and as per the requirements of SEBI Listing Regulations, the Company is providing the facility to its Members holding shares in physical or dematerialised form as on the cut-off date, i.e. 23.09.2021, to exercise their right to vote by electronic means on any or all of the agenda items specified in the accompanying Notice of AGM.
7. For receiving all communication (including Annual Report) from the Company electronically:
 - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a scan copy of share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card /Passport / Driving Licence / Election Identity Card to hydacc@vrlindia.in for registering email address.
 - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
10. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2021 to 30.09.2021 (both days inclusive) for the purpose of annual closure.
11. The Company has appointed M/s CIL Securities Limited, Registrar and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the AGM.
12. Pursuant to the provisions of the circulars of MCA on the VC/OVAM, Members can attend the AGM through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
13. The members holding shares in identical order of names in more than one folio are requested to write to the Company/RTA enclosing their Share Certificates to enable the Company to consolidate their holdings in one folio for better services.

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14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Registrar & Share Transfer Agent – CIL Securities Limited.
15. 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.
16. Non Resident Indian members are requested to inform the Company's Registrar & Share Transfer Agents, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier
17. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the “Annexure” to the Notice. Director seeking appointment/re- appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.
18. Members who have not yet registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in dematerialized form and with the Company in case the shares are held by them in physical form.
19. As per Regulation 40 of SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
20. (A) In terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the “IEPF Rules”), the Company has transferred the unpaid or unclaimed dividend declared to the Investor Education and Protection Fund (the IEPF) established by the Central Government.

(B) Members may claim refund of their dividend which has been transferred in IEPF from the IEPF Authority by following the procedure as prescribed under the IEPF Authority(Accounting,Audit Transfer and Refund) Rules, 2016 (as amended from time to time).

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(C) The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company and can be accessed through the link: info@vrlindia.in.

(D) The details of dividend are given hereunder:

| Dividend | Date of Declaration |
|-----------|---------------------|
| 2010-2011 | 29-09-2011 |
| 2011-2012 | 28-09-2012 |
| 2012-2013 | 28-09-2013 |
| 2013-2014 | 27-09-2014 |
| 2014-2015 | 24-09-2015 |
| 2015-2016 | - NIL - |
| 2016-2017 | 29-09-2017 |
| 2017-2018 | 25-08-2018 |
| 2018-2019 | 30-09-2019 |
| 2019-2020 | 28-12-2020 |
| 2020-2021 | 30-09-2021 |

The Members who have not yet claimed the dividend are requested to approach to the Company for dividend payment.

(E) Members are requested to note that pursuant to the provisions of the Companies Act, 2013, Listing Regulations and the IEPF Rules, the Company is also required to transfer the shares to the IEPF Suspense Account in respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more. Incompliance with the said requirements, the Company has transferred shares which were liable to be transferred in favour of IEPF authority in the prescribed manner. Such shares could be claimed from IEPF authority by filing Form No.IEPF5 in the prescribed manner. The details thereof are available on the website of the Company. The said details have also been submitted with Ministry of Corporate Affairs.

21. SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent are required

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to seek relevant bank details of members from depositories/ investors for making payment of dividends in electronic mode. Further, pursuant to MCA General Circular 20/2020 dated 5th May, 2020, companies are directed to credit the dividend of the members directly to the bank accounts of the members using Electronic Clearing Service. Accordingly, members are requested to provide or update (as the case may be) their bank details with the respective depository participants for the shares held in dematerialized form and with the Registrar & Share Transfer Agent in respect of shares held in physical form. In case of nonavailability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member post normalization of postal services in the Country vide dispatch of dividend warrant/ cheque, as the case may be.

22. The Register of Members of the Company will remain closed from 24.09.2021 to 30.09.2021 (both days inclusive) for determining the name of members eligible for dividend on equity shares, and the dividend if declared will be credited to those members whose name shall appear on the Register of Members of the Company as on 23-09-2021. In respect of shares held in electronic form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owner as on that date. As mentioned in the preceding note, in case of non-availability or non-updation of bank account details of the shareholders, the Company shall ensure payment of dividend to such member post normalization of postal services in the Country vide dispatch of dividend warrant/ cheque, as the case may be.
23. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the Meeting through VC.
24. The Board of Directors has appointed Ms. Rakhi Agarwal, Practising Company Secretary as the Scrutinizer for the purpose of scrutinizing the remote e- voting and e- voting system provide in the Meeting in a fair and transparent manner.
25. The results of remote e-voting and e- voting system provided in the Meeting shall be aggregated and declared on or after the Meeting of the Company by the Chairman or by any other person duly authorised in this regard.
26. The results declared along with the report of the scrutinizer shall be placed on the Company's www.info@vrlindia.in and on the website of CDSL immediately after the result is declared by the Chairman and simultaneously communicated to the Stock Exchanges. Due to the current lockdown situation in the wake of COVID 19

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pandemic, the result shall not be displayed on the Notice Board of the Company at its Registered Office.

27. Members are requested to contact the Company's Registrar & Share Transfer Agent, i.e. [CIL SECURITIES LIMITED] for reply to their queries/ redressal of complaints, if any, hydacc@vrlindia.in of the Company.
28. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. [[CIL SECURITIES LIMITED] or the Company.
29. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from 1st April, 2019 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares cannot be transferred in the physical mode. Members holding shares in physical form are therefore requested to dematerialize their holdings immediately. However, members can continue to make request for transmission or transposition of securities held in physical form.
30. Non-Resident Indian Members are requested to inform RTA, immediately on:
 - (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.
31. Voting through electronic means
CDSL e-Voting System – For Remote e-voting and e-voting during AGM
 - i) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
 - ii) 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

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amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- iii) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- iv) The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- v) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- vi) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- vii) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.info@vrlindia.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- viii) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/ 2020 dated May 05, 2020.

Instructions for shareholders for remote e-voting are as under:

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- (i) The voting period begins on Monday, September 27, 2021 at 9.00 a.m. and ends on Wednesday, September 29, 2021 at 5.00 p.m. During this period, shareholders of the Company holding shares either in physical form or dematerialized form, as on the cut- off date (record date) of September 23, 2021 may cast their vote electronically. The e- voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com.
- (iii) Click on “Shareholders” tab.
- (iv) Now, select the “VASUNDHARA RASAYANS LIMITED” from the drop down menu and click on “SUBMIT”
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN* Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB# Enter the Date of Birth as recorded in your demat account or in

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the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

BankDetails# Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (i) After entering these details appropriately, click on “SUBMIT” tab.
- (ii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (iii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN of Vasundhara Rasayans Limited.
- (v) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (vii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (viii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

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- (x) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xi) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xii) Note for Non – Individual Shareholders and Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

- i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to hydacc@vrlindia.in.
- ii) For Demat shareholders- please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to hydacc@vrlindia.in.
- iii) The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

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Instructions for shareholders attending the AGM through VC/OAVM are as under:

- i) Shareholder will be provided with a facility to attend the AGM through VC/ OAVM through the CDSL e-Voting system.

Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials.

The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at cs@vasundhararasayans.in.
- vi) The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@vasundhararasayans.in. These queries will be replied to by the company suitably by email.
- vii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Instructions for shareholders for E-Voting during the AGM are as under:-

- i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iii) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered

VASUNDHARA RASAYANS LIMITED

invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

- iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

The Statutory Registers and documents in accordance with the Companies Act, 2013 will be available for inspection in electronic mode. The result of the voting shall be displayed on the Notice Board of the Company at its Registered Office and Corporate Office. The result along with the Scrutiniser's Report shall also be placed on the website of the Company www.vasundhararasayans.in and of CDSL. Members may also write to the Company Secretary in case of grievances connected with voting by electronic means at the mail id: cs@vasundhararasayans.in.

REGISTERED OFFICE

Shed No. 42, Phase II,
IDA, Mallapur,
Hyderabad - 500 076.
Telangana.

BY ORDER OF THE BOARD OF DIRECTORS

VASUNDHARA RASAYANS LIMITED

(PRAKASH CHAND JAIN)

WHOLE TIME DIRECTOR

DIN NO: 00117348

(RAJESH POKERNA)

MANAGING DIRECTOR

DIN NO: 00117365

Date: 03.09.2021

VASUNDHARA RASAYANS LIMITED

EXPLANATORY STATEMENT**PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****Item No.5 :**

Shri Rajesh Pokerna, is re-appointed as the Managing Director of the Company, liable to retire by rotation for a period of 5 years with effect from 20.08.2021 to 21.08.2026 on such remuneration, terms and conditions as may be mutually agreed, subject to the approval of shareholders in this general meeting.

The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

None of the Directors and also Shri Rajesh Pokerna himself, is not concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No.6 :

Shri Prakash Chand Jain, is re-appointed as a Whole Time Director of the Company, liable to retire by rotation with effect from 20.08.2021 to 21.08.2026 for a period of 5 years on payment of salary, commission and perquisites upon the terms and conditions as decided by the Board of Directors and the Remuneration Committee in its meeting.

The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

None of the Directors and also Shri Prakash Chand Jain himself, is not concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No.7 :

Smt. Seema Jain, is re-appointed as a Whole Time Director of the Company, liable to retire by rotation with effect from 20.08.2021 to 21.08.2026 for a period of 5 years on payment of salary, commission and perquisites upon the terms and conditions as decided by the Board of Directors and the Remuneration Committee in its meeting.

The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

None of the Directors and also Smt. Seema Jain herself, is not concerned or interested in the resolution. None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

VASUNDHARA RASAYANS LIMITED

DIRECTOR'S REPORT

To
The Members
Vasundhara Rasayans Limited

Your Directors have pleasure in presenting the 34th Annual Report of your Company and the Audited financial statements for the financial year ended 31st March 2021 together with Auditors' Report thereon.

FINANCIAL RESULTS

The performance of the Company during the year has been as under:

(Amount in Rs.)

| | Current Year Ended 31-03-2021 | Previous Year Ended 31-03-2020 |
|--|----------------------------------|-----------------------------------|
| Turnover | 22,67,95,332 | 21,2842,684 |
| Other Income | 99,43,633 | 1,14,83,659 |
| Profit/(Loss) before exceptional, items | 3,96,19,376 | 3,90,64,940 |
| Profit/(Loss) before taxation | 3,96,19,376 | 3,90,64,940 |
| Net Profit after Taxation | 2,93,57,307 | 2,98,83,355 |

PERFORMANCE

During the year under review the turnover of the Company Rs. 22.67 Crores in comparison to the previous year's figure at Rs.21.28 Crores. The company has achieved net profit after tax which is reported at Rs. 2.98 Crores in comparison to profit of Rs. 2.99 Crores in the previous year.

COVID-19 IMPACT ASSESSMENT :

The Coronavirus (Covid-19) pandemic continues to spread rapidly across the globe including India. The outbreak was identified in China and on March 11, 2020, the Covid-19 outbreak was declared a global pandemic by the World Health Organization. Covid-19 has taken its toll on not just human life, but business and financial markets too. Various governments

VASUNDHARA RASAYANS LIMITED

have introduced a variety of measures to contain the spread of the virus. The Indian government had announced countrywide lockdown and in this nation-wide lock-down period, though all the services across the nation were suspended (except the specified essential services), some establishments including securities market intermediaries could operate and were exempted from the lock-down.

The management has, at the time of approving the financial statements, assessed the potential impact of the Covid-19 on the Company. Barring any future Covid-19 related escalations, based on the current assessment, the management is of the view that impact of Covid-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

SHARECAPITAL

The paid-up Share Capital of the Company as on 31st March, 2021 is Rs.3,17,82,000 divided into 31,78,200 equity shares of Rs.10/- each.

LISTING OF EQUITY SHARES

The Company's equity shares are listed on the following Stock Exchange:

(i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India; and The Company has paid the Annual Listing Fees to the said Stock Exchange for the Financial Year 2021-22.

DIVIDENDS

The Board of Directors of your company have recommended 15% dividend for the financial year 2020-21.

RESERVES

During the year under review, no amount is allocated or transferred to Reserves.

FIXED DEPOSITS

During FY 2020-21, the Company did not accept any deposit within the meaning of sections 73 and 74 of the Act read together with the Companies (Acceptance of Deposits) Rules, 2014.

VASUNDHARA RASAYANS LIMITED

DIRECTORS

Shri. Sunil Kumar Jain, Director and Shri. Sanjay Kumar Jain, Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

Shri Rajesh Pokerna being reappointed as Managing Director of the Company, liable to retire by rotation.

Shri. Prakash Chand Jain being reappointed as the Whole time Director of the company, liable to retire by rotation.

Smt, Seema Jain being reappointed as the Whole time Director of the company, liable to retire by rotation.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board has carried out performance evaluation taking into consideration of various aspects of the Board's functioning, composition of Board, and its Committees, execution, and performance of specific duties, obligations and governance. The Performance of evaluation of Independent Directors was completed. The Performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with evaluation process.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to Directors, Key Managerial Personnel and Senior Management of the Company. The Remuneration Policy is stated in the Corporate Governance Report.

MEETINGS

During the year (6) Board Meetings and (3) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The

VASUNDHARA RASAYANS LIMITED

intervening gap between the meetings was within the period of 120 days as prescribed Under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 of the Listing Agreement.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. The particulars of contracts and arrangements with related parties referred to in sub-section (1) of section 188 is prepared in Form AOC-2 pursuant to clause (h) of the Companies (Accounts) Rules, 2014 and the same is annexed herewith as "Annexure-I" to this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT

There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status of the Company and its future operations.

AUDITORS**Statutory Auditors**

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. MAMTA JAIN & ASSOCIATES, Chartered Accountants (Firm Regn No: 328746E) of the Company were appointed as auditors in the Board Meeting held on 28.05.2018 subject to ratification on approval of shareholders in the ensuing general meeting, to hold office for a period of 5 years from financial year 2018-2019 until financial year 2022-2023, on such remuneration as may be agreed upon by the Board of Directors and the Auditors in addition

VASUNDHARA RASAYANS LIMITED

to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial years.

Secretarial Auditors

The Secretarial Audit Report for the financial year ended 31st March, 2021 is annexed to this report as “Annexure-II”. The Report does not contain any qualification, reservation, disclaimer or adverse remark.

The Board, on the recommendation of the Audit Committee, has re-appointed Mrs. Rakhi Agarwal, Company Secretary in Practice in Hyderabad to conduct the secretarial audit of the Company for the FY 2021-22. She has confirmed that she is eligible for the said appointment.

Internal Auditors

M/s. S.B. Kabra & Co., Chartered Accountants performs the duties of internal auditors of the Company and their report is reviewed by the Audit Committee from time to time.

Cost Audit

The Provisions of Section 148 of the Companies Act, 2013 read with The Companies (Cost records and audit) rules, 2014 relating to Maintenance of Cost Records and Cost Audit are not applicable to the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to regulations 34 of the Securities and Exchange Board of India (LODR) Regulations, 2015 (Listing Regulations) the Management Discussion and Analysis Report for the year under review is presented in a separate section, forming part of the annual report as Annexure-

CORPORATE GOVERNANCE

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated Regulation 27(2) of SEBI (LODR) Regulation with the Stock Exchanges.

A separate report on corporate governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliances forms an integral part of this Report.

EXTRACT OF ANNUAL RETURN

An Extract of the Annual Return of the Company has been placed on the website of the company and can be accessed at www.info@vrlindia.in under the investors information

VASUNDHARA RASAYANS LIMITED

section. The Extract of the Annual Return for FY 2020-21 is given as “Annexure – III”.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Board of your company has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and effectively. Your company has adopted policies and 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 frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

RISK MANAGEMENT

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management policy/plan for the Company and ensuring its effectiveness. The Risk Management Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy.

HUMAN RESOURCES

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programs which has helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) That in the preparation of the accounts for the financial year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or Loss of the Company for the year under review;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the accounts for the financial year ended 31st March 2021 on a 'going concern' basis;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) That devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo required to be disclosed under Section 134(3)(m) of the Companies Act,

VASUNDHARA RASAYANS LIMITED

2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in the Annexure forming part of this Report.

POLICY ON SEXUAL HARRASSEMENT:

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company is in compliance with the provisions relating to the constitution of an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2020-21, the Company has not received any Complaints pertaining to Sexual Harassment.

PARTICULARS OF EMPLOYEES:

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF REMUNERATION:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as follows:

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

| Name of the Director | Ratio to Median Remuneration |
|---------------------------------------|-------------------------------------|
| Sanjay Kumar Jain, WTD | 4.30 |
| Prakash Chand Jain, Director | 3.23 |
| Sunil Kumar Jain, CFO/WTD | 4.30 |
| Rajesh Pokerna, MD | 9.68 |
| Seema Jain, Whole time Women Director | 3.23 |

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

VASUNDHARA RASAYANS LIMITED

| Name of Person | % increase in remuneration |
|----------------|----------------------------|
|----------------|----------------------------|

| | |
|---------------------------------------|---|
| Sanjay Kumar Jain, WTD | — |
| Prakash Chand Jain, MD | — |
| Sunil Kumar Jain, CFO/WTD | — |
| Rajesh Pokerna , WTD | — |
| Seema Jain, Whole Time Women Director | — |

- (iii) The percentage increase in the median remuneration of employees in the financial year 39.51%.
- (iv) The number of permanent employees on the rolls of company is 39.
- (v) 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;
- (vi) Affirmation that the remuneration is as per the remuneration policy of the company - Yes.

APPRECIATION :

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry, despite increased competition from several existing and new players.

CAUTIONARY STATEMENT :

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

VASUNDHARA RASAYANS LIMITED

ACKNOWLEDGEMENTS:

The Board desires to place on record its sincere appreciation for the support and co-operation that the Company received from the suppliers, customers, strategic partners, Bankers, Auditors, Registrar and Transfer Agents and all others associated with the Company. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be the Company's endeavor to build and nurture strong links with trade based on mutuality, respect and co-operation with each other.

REGISTERED OFFICE

Shed No. 42, Phase II,
IDA, Mallapur,
Hyderabad - 500 076.
Telangana.

BY ORDER OF THE BOARD OF DIRECTORS

VASUNDHARA RASAYANS LIMITED

Sd/-

(PRAKASH CHAND JAIN)

WHOLE TIME DIRECTOR

DIN NO: 00117348

Sd/-

(RAJESH POKERNA)

MANAGING DIRECTOR

DIN NO: 00117365

Date: 03.09.2021

VASUNDHARA RASAYANS LIMITED

ANNEXURE - III**PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION
AND FOREIGN EXCHANGE EARNING AND OUTGOINGS**

(Information Under Section 134(3)(m) of The Companies Act, 2013, Read with Rules 8(3)
of the Companies (Accounts) Rules, 2014:)

FORM - A**1. CONSERVATION OF ENERGY :**

- (i) Energy Conservation measures :
(ii) Total energy consumption : N.A.
2. TECHNOLOGY ABSORPTION :

FORM - B

(Disclosure of particulars with respect to Technology Absorption)

A. Research and Development (R & D) :

1. Specific areas in which R & D : NIL is carried out by the Company
2. Benefits derived as a result of the : NIL above R & D
3. Future plan of action :
4. Expenditure on R & D :

B. Technology absorption, adaptation and innovation :

The Company is making all its efforts for improving productivity, product quality and reducing consumption of scarce raw materials and fuels.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total Foreign Exchange used and earned:

Used : Rs. 1,037.27 Lacs

Earned : Rs. 498.84 Lacs

REGISTERED OFFICE

Shed No. 42, Phase II,
IDA, Mallapur,
Hyderabad - 500 076.
Telangana.

BY ORDER OF THE BOARD OF DIRECTORS

VASUNDHARA RASAYANS LIMITED

Sd/-

(PRAKASH CHAND JAIN)

WHOLE TIME DIRECTOR

DIN NO: 00117348

Sd/-

(RAJESH POKERNA)

MANAGING DIRECTOR

DIN NO: 00117365

Date: 03.09.2021

Annexures to Board's Report

| Annexure No. | Content |
|---------------------|--|
| I. | Form AOC-2- Particulars of contracts and arrangements with related parties |
| II. | Form MR-3 – Secretarial Audit report |
| III. | Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo |
| IV. | Report on Corporate Governance |
| V. | Extract of Annual Return |
| VI. | Director seeking appointment / reappointment. |

ANNEXURE - I**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)

1. Details of contracts or arrangements or transactions not at arm's length basis:
No transactions
2. Details of material contracts or arrangement or transactions at arm's length basis:

| Sl.No. | (a) Name(s) of the related party and nature of relationship | (b) Nature of contracts/ arrangements/ transactions | (c) Duration of the contracts/ arrangements/ transactions | (d) Salient terms of the contracts or arrangements or Transactions including the value, if any: | (e) Date(s) of approval by the Board, if any: | (f) Amount paid as advances, if any: |
|--------|---|---|---|---|---|--------------------------------------|
| 1 | P & J Cretechem Sale of Goods of Private Limited Holding Company | Purchase of Goods | 01-04-2020 - 31-03-2021 | Purchase of Goods Rs. 5,50,234/- | 29.06.2020 | — |
| 2 | Taurus Chemicals Private Limited | Sale of Goods | 01-04-2020 - 31-03-2021 | Sale of Goods Rs. 6,23,040/- | 29.06.2020 | -- |
| 3 | Taurus Chemicals Private Limited | Purchase of Goods | 01-04-2020 - 31-03-2021 | Purchase of Goods of Rs. 23,38,058/- | 29.06.2020 | — |

VASUNDHARA RASAYANS LIMITED



RAKHI AGARWAL
Company Secretary

6-3-660, Flat 520, Block 4,
Amrit Apartments,
Kapadia Lane, Somjaiguda,
Hyderaba - 500 082.
Email : rakhiagarwal79@yahoo.com

ANNEXURE-II**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

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

To,

The Members of

VASUNDHARA RASAYANS LIMITED.

I have conducted the secretarial audit of the compliance of applicable statutory provisions of the Act, Rules and Regulations as mentioned below and the adherence to good corporate practices by Vasundhara Rasayans Limited (herein after called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification on the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and other authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2021 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 ("Audit Period") according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there-under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;

VASUNDHARA RASAYANS LIMITED

- 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, 1992;
 - (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; I, further report that:
 - (a) The Listing Agreement entered into by the Company with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (b) Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Board and General Meetings of the Company.

I, further report that:

- (a) 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 year under review were carried out in compliance with the provisions of the Act.
- (b) Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance.
- (c) It is also noted that the Company has an Internal Audit System to constantly monitor the process for efficient compliances.

I, further report that

In our opinion and to the best of our information and according to the examinations

VASUNDHARA RASAYANS LIMITED

carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has complied with the provisions of the Act, the Rules made thereunder and the Memorandum and Articles of Association of the Company with regard to:

- a. maintenance of various statutory registers and documents and making necessary entries therein;
- b. closure of Register of Members;
- c. forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities;
- d. service of documents by the Company on its Members, Debenture holders, Stock Exchanges, Auditors and the Registrar of Companies;
- e. notice of Board and various Committee meetings of Directors;
- f. meetings of Directors and all the Committees of Directors and passing of circular resolutions;
- g. notice and convening of Annual General Meeting held on 28th December, 2020.
- h. minutes of the proceedings of the Board Meetings, Committee Meetings and General Meetings;
- i. approvals of the Board of Directors, Committee of Directors, Members and government authorities, wherever required;
- j. constitution of the Board of Directors, Committees of Directors and appointment, retirement and reappointment of Directors including Managing Directors and Executive Directors;
- k. payment of remuneration to Directors, Managing Director and Executive Directors;
- l. appointment and remuneration of Statutory Auditors and Cost Auditors;
- m. transfer and transmission of the Company's shares, issue and allotment of shares and issue and delivery of certificates of shares;
- n. declaration and payment of dividend;
- o. transfer of amounts as required under the Act to the Investor Education and Protection Fund;
- p. borrowings and registration of charges;
- q. report of the Board of Directors;
- r. investment of the Company's funds including inter corporate loans and investments;
- s. generally, all other applicable provisions of the Act and the Rules thereunder.

VASUNDHARA RASAYANS LIMITED

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the specific industry related laws as applicable specifically:

- (a) Customs Act, 1962 and the rules made thereunder as applicable;
- (b) Central Excise Act, 1944 and the rules made thereunder as applicable.
- (c) Rule 3(4) A.P. Shops and Establishment Rule, 1990.
- (d) Labour Act, 1970 or Labour Act, 2015 and rule made thereunder applicable
- (e) A.P. Tax on Professional, Trades Calling and Employment, 1987 and the rules made thereunder as applicable.
- (f) Employees Provident Fund Scheme, 1952 and the rules made thereunder as applicable.
- (g) Employee Pension Scheme, 1995 and the rules made thereunder as applicable.
- (h) Employees Deposit Linked Insurance Scheme, 1976 and the rules made thereunder as applicable.
- (i) Industrial Dispute Act, 1947 and the rules made thereunder as applicable.
- (j) Factories Act, 1948 and its other related acts, and the rules made thereunder as applicable.
- (k) Payment of Gratuity Act, 1972 and the rules made thereunder as applicable.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

We have relied on the information supplied and representation made by the company and its officers, agents, for systems and mechanism followed by the company for compliance under the applicable Acts, Laws and Regulations to the Company

Place: Hyderabad

Date: 21-07-2021

**For RAKHI AGARWAL
COMPANY SECRETARY**

FCS NO.7047

CP NO.6270

UDIN No. F007047P000665507

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.

VASUNDHARA RASAYANS LIMITED

ANNEXURE A'

To,
The Members of

VASUNDHARA RASAYANS LIMITED,

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

Place : Hyderabad

Date : 21-07-2021

RAKHI AGARWAL

COMPANY SECRETARY

FCS NO.7047

CP NO.6270

UDIN No. F007047P000665507

REPORT ON CORPORATE GOVERNANCE**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

Vasundhara Rasayans Limited to set the highest standards of Corporate Governance right from its inception benchmarked with the best class practices across the globe. Effective Corporate Governance is the manifestation of professional beliefs and values, which configures the organizational values, credo and actions of its employees. The aim of "Good Corporate Governance" is to ensure commitment of the board in managing the company in a transparent manner for maximizing long-term value of the company for its shareholders and all other partners. It integrates all the participants involved in a process, which is economic, and at the same time social.

Hence it harmonizes the need for a company to strike a balance at all times between the need to enhance shareholders' wealth whilst not in any way being detrimental to the interests of the other stakeholders in the company.

2. BOARD OF DIRECTORS:**a) Composition and Category of Directors:**

In terms of compliance with the requirement of SEBI (LODR) Regulations, 2015, the Company endeavour to have an optimum combination of Executive and Non-Executive Directors to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees. As on 31st March, 2021, the Board consist of the following:

b) Attendance of each director at the Board meetings and the last Annual General Meeting :

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended 31.03.2021 has been set out here below:

| Sl. No. | Name of Director | No. of Board Meetings | | Attendance at last AGM on 28-12-2020 |
|---------|--------------------------------|-----------------------|----------|--------------------------------------|
| | | Held | Attended | |
| 1 | Shri. Prakash Chand Jain | 6 | 5 | No |
| 2 | Shri. Sanjay Kumar Jain | 6 | 6 | Yes |
| 3 | Shri. Sunil Kumar Jain | 6 | 6 | Yes |
| 4 | Shri. Rajesh Pokerna | 6 | 6 | Yes |
| 5 | Shri. Rajesh Kumar Jain | 6 | 3 | No |
| 6 | Shri Pravin P Majmumdar | 6 | 3 | No |
| 7 | Shri. Rajiv Paritidas Kakodkar | 6 | 3 | No |
| 8 | Smt. Seema Jain | 6 | 3 | No |
| 9 | Shri Pradeep Kumar jain | 6 | 3 | No |

VASUNDHARA RASAYANS LIMITED

c) Number of other Directorships, Committee Membership(s) & Chairmanship(s) :

| Sl.No. | Name of the Director | Other Directorships | Committee Membership | Committee Chairmanship |
|--------|--------------------------|---------------------|----------------------|------------------------|
| 1 | Prakash Chand Jain | 10 | - | - |
| 2 | Sanjay Kumar Jain | 9 | - | - |
| 3 | Sunil Kumar Jain | 4 | - | - |
| 4 | Rajesh Pokerna | 2 | - | - |
| 5 | Rajesh Kumar Jain | 6 | - | - |
| 6 | Pravin P Majmumdar | 0 | - | - |
| 7 | Rajiv Paritidas Kakodkar | 1 | - | - |
| 8 | Seema Jain | 0 | - | - |
| 9 | Pradeep Kumar Jain | 0 | - | - |

- The number of total directorships is in accordance with Section 165 of the Companies Act, 2013.
- The Number of Directorships, Committee memberships and Chairmanships of all listed and unlisted companies are within the limits as per Regulation 26 of SEBI (LODR) Regulations, 2015 and erstwhile Clause 49(II)(D)(2) of the Listing Agreement.

d) Number of Board Meetings held and the date on which held:

In terms of compliance with the requirement of SEBI (LODR) Regulations, 8 (EIGHT) Board Meetings were held during the financial year ended 31.03.2021. The maximum gap between any two Board Meetings was not more than 120 days at any time.

The dates on which the Board meetings were held are:

| | | |
|------------|------------|------------|
| 29.06.2020 | 10.08.2020 | 21.08.2020 |
| 02.09.2020 | 12.11.2020 | 28.12.2020 |

e) Shares held by Non-Executive Directors

The number of equity shares of the Company held by the non-executive directors, as on 31.03.2021 are as follows :

| Sl.No. | Name of the Director | No. of Equity Shares |
|--------|-------------------------------|----------------------|
| 1 | Shri. Rajesh Kumar Jain | - |
| 2 | Shri. Pravin P. Majmumdar | - |
| 3 | Shri. Rajiv Pritidas Kakodkar | - |
| 4 | Shri. Pradeep Kumar Jain | - |

VASUNDHARA RASAYANS LIMITED

g) The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

- Knowledge - understand the Company's business, policies, and culture (including its mission, vision, Values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates.
- Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders.
- Strategic thinking and decision making
- Financial Skills
- Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the Business.

h) Confirmation from the Board:

The Board of Directors be and hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

Details of the Board Committees and other related information are provided here under:

1. AUDIT COMMITTEE:

(i) Brief description of terms of reference:

The terms of reference stipulated by the Board to the Audit Committee includes review of the following:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions submitted by Management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal Audit Reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

VASUNDHARA RASAYANS LIMITED

- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of Audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- The annual financial statements before submission to the Board for approval, with particular reference to following with the Management:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (3C) of Section 134 of the Companies Act, 2013
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by Management
 - iv. Significant adjustments made in the financial statements arising out of Audit findings
 - v. Compliance with listing and other legal requirements relating to financial statements
 - vi. Disclosure of any related party transactions
 - vii. Qualifications in the draft Audit Report.
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with Internal Auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with Statutory Auditors before the Audit commences, about the nature and scope of Audit as well as post-Audit discussion to ascertain any area of concern.
- To review the functioning of the Whistle Blower Mechanism.

VASUNDHARA RASAYANS LIMITED

- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(ii) Composition :

The Company's Audit Committee comprises of majority of Independent Directors:

The Company Audit Committee having rich experience and professional knowledge in Finance, Accounts and Company Law, the members always added the value for the Company. Minutes of each Audit Committee are placed before the Board and discussed in the meeting.

(iii) Meeting and attendance during the year:

In terms of compliance with the requirement of Regulation 18 of SEBI (LODR) Regulations, 2015 the Audit Committee met 3 (Three) times during the financial year under review.

The Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. The Chairman of the Audit Committee has attended the Annual General Meeting to answer the queries raised by the Shareholders regarding Audit and Accounts.

4. NOMINATION & REMUNERATION COMMITTEE: Brief description of terms of reference:

The brief terms of reference of the Nomination and Remuneration Committee, inter alia, include the following:

- a. Identifying and selection of persons for appointment as directors and senior management in accordance with the criteria laid down and to recommend to the Board their appointment.
- b. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- c. Recommend/review remuneration of the Managing Director and Whole time Director(s) based on performance and defined assessment criteria.
- d. Recommend to the Board a policy for selection and appointment of Directors, Key Managerial Personnel and other senior management positions.
- e. Formulate and review criteria for evaluation of performance of the Board of Directors
- f. Devise a policy on Board diversity.
- g. Succession planning for the Board level and key management positions.

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- h. Carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notification/amendment.

(iii) Attendance during the year:

The Remuneration Committee met 1 (One) time, during the financial year under review.

REMUNERATION POLICY:

The nomination and remuneration committee has adopted a Nomination and Remuneration Policy which, inter alia, deals with the manner of selection of Board of Directors, KMP & other senior management and their remuneration. The extract of the same is as follows:

a) Remuneration to Executive Director and KMP :

Executive Directors and KMP are eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The Executive Director and KMP remuneration is determined based on levels of responsibility and scales prevailing in the industry. The executive directors are not paid sitting fee for any Board/Committee meetings attended by them.

b) Remuneration to Non-Executive Directors:

The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committees thereof.

(i) Details of Remuneration of Non – Executive Directors:

The Company is not paying Sitting fees to all the Non-executive Directors.

(ii) Pecuniary relationship or transactions of Non-Executive Director:

The Non-Executive Independent Directors do not have any other material (pecuniary relationship or transactions with the Company, its promoters or its Management, which in the opinion of the Board may affect independence of judgment of such Directors.

Details of Remuneration to Executive Directors :

| (Amount in Rs.) | | | | | |
|-----------------------------|------------------|-----|------------|-------|------------------|
| Name of Director | Salary | HRA | Commission | Perks | Total |
| Prakash Chand Jain Director | 6,00,000 | - | - | - | 6,00,000 |
| Sanjay Kumar Jain, WTD | 8,00,000 | - | - | - | 8,00,000 |
| Sunil Kumar Jain, CFO/WTD | 8,00,000 | - | - | - | 8,00,000 |
| Rajesh Pokerna, MD | 18,00,000 | - | - | - | 18,00,000 |
| Seema Jain, Women Director | 6,00,000 | - | - | - | 6,00,000 |
| Total | 46,00,000 | - | - | - | 46,00,000 |

FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS :

Your Company follows a structured orientation and familiarization programme through various reports/ codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The framework on familiarization programme have been posted in the website of the Company.

CODE OF CONDUCT :

The Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been posted on the Company's website.

INDEPENDENT DIRECTORS' MEETING:

During the year, meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**(i) Brief description of terms of reference:**

During the year at a meeting of the Board of Directors of the Company held on 31st March, 2021 in compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Board has renamed its "Shareholders Grievance Committee" as the "Stakeholders Relationship Committee". The Stakeholders Relationship Committee

VASUNDHARA RASAYANS LIMITED

constituted by the Board of Directors inter alia approves transfer of shares and redresses shareholders / investor's grievances and complaints regarding non-receipt of Dividends, Annual Reports, etc.

(ii) Composition:

Shri Santosh Kumar Jha, Company Secretary is acting as Compliance Officer of the Company and the composition is as mentioned above.

The total number of complaints received and replied to the satisfaction of shareholder during the year was 0. There are no outstanding complaints as on 31.03.2021.

6. RISK MANAGEMENT COMMITTEE:

The Company has constituted a Risk Management Committee which has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Board of Directors review these procedures periodically.

7. GENERAL BODY MEETINGS :

i) Location and time for the last 3 years General Meetings were :

| Year | Locations | Date | Time |
|-----------|---|------------|-----------|
| 2018-2020 | Via Video Conferencing | 28-12-2020 | 11:30 A.M |
| 2018-2019 | Shed No. 42, Phase II, IDA, Mallapur, Hyderabad-500 076 | 30-09-2019 | 11:30 A.M |
| 2017-2018 | Shed No. 42, Phase II, IDA, Mallapur, Hyderabad-500 076 | 30-09-2019 | 11:30 A.M |

II. Whether any special resolutions passed in the previous 3 AGMs

2019-20: In the AGM held on 28.12.2020, the company has passed Seven Special Resolutions.

2018-19: In the AGM held on 30th September, 2019 the company has passed Three Special Resolutions

2017-18: In the AGM held on 25th August, 2018 the company has passed Six Special Resolution

8. DISCLOSURES :

(i) Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large:

Besides the transactions mentioned elsewhere in the Annual Report, there were no materially significant related party transactions during the year conflicting with the interest of the Company.

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

None.

- (iii) **Whistle Blower policy:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, www.vasundhararasayans.in

- (iv) **Non Mandatory Requirements :**

Adoption of non-mandatory requirements of SEBI (LODR) Regulations, 2015 is being reviewed by the Board from time to time.

9. MEANS OF COMMUNICATION: i. Financial / Quarterly

Results :

The Company intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after the Board meetings at which they are approved. The results of the Company are also published in at least one prominent national and one regional newspaper having wide circulation. Normally the results are published in Financial Express/ Business Standard (English) and Nava Telangana (Telugu). The financial results are also displayed on the Company's website www.vasundhararasayans.in

ii. Newspapers wherein results normally published

The official news releases are published in Financial Express /Business Standard and Nava Telangana (Telugu) Newspapers, Detailed presentations made to institutional investors, financial analyst, etc. are displayed on the Company's website www.info@vrlindia.in.

Website :

The website info@vrlindia.in contains a separate dedicated section for the Company's "Investor Relations" where shareholders' information is available. The full Annual Report, shareholding pattern etc. is also available in the 'Investor Relations' sections on the website of the Company.

VASUNDHARA RASAYANS LIMITED

The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

| Regulation | Particulars of Regulation | Compliance Status (Yes/ No) |
|------------|--|-----------------------------|
| 17 | Board of Directors | Yes |
| 18 | Audit Committee | Yes |
| 19 | Nomination and Remuneration Committee | Yes |
| 20 | Stake Holders Relationship Committee | Yes |
| 21 | Risk Management Committee | Yes |
| 22 | Vigil Mechanism | Yes |
| 23 | Related Party Transactions | Yes |
| 24 | Corporate Governance requirement with respect of Subsidiary of Listed entity | Yes |
| 25 | Obligation with respect to Independent Director | Yes |
| 26 | Obligation with respect to Directors and Senior Management | Yes |
| 27 | Other Corporate Governance Requirement | Yes |
| | 46(2) (b) to (i) Website | Yes |

CEO/ CFO Certification

In line with the requirements of Regulation 17(8) of SEBI (LODR) Regulations, 2015, Shri. Sunil Kumar Jain, Whole Time Director/Chief Financial Officer have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2021 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

Unclaimed Dividend :

Pursuant to the provisions of Section 124 of the Companies Act, 2013, Dividends for the financial year ended 31st March, 2021 and thereafter, which remain unclaimed for a period

VASUNDHARA RASAYANS LIMITED

of seven years, will be transferred to the Investor Education and Protection Fund established by the Central Government pursuant to Section 124 of the Companies Act, 2013.

The members are advised to send all the un-encashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF. It may also be noted that once the Unclaimed Dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.

The Management Discussion and Analysis Report :

A Report of the Management Discussion and Analysis is attached as part of the Annual Report.

10. GENERAL SHAREHOLDER INFORMATION :

| | | |
|--|---|---|
| Annual General Meeting | Date | : 30th September, 2021 |
| | Time | : 2:30 P.M |
| | Venue | : Through video conference (VC) other audio visual means (OAVM) Mallapur, Hyderabad-500 076 |
| Financial Calendar | 1 st April, 2020 to 31 st March, 2021 | |
| Date of Book Closure | 24 th September, 2021- 30 th September, 2021 | |
| Cut-off date remote e-voting | The remote e-voting / voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. Thursday, 23rd September, 2021. | |
| Listing on Stock Exchanges | BSE Ltd | |
| Stock Code | 538634 | |
| ISIN Number for NSDL & CDSL | INE406F01010 | |

VASUNDHARA RASAYANS LIMITED

i. Registrar and Transfer Agents

Share Transfers & Communication regarding Share Certificates, Dividends & Change of Address may be sent to

M/s. CIL SECURITIES LIMITED

214, Raghava Ratna Tower, Chirag Ali Lane,
Hyderabad, Telangana-500 001.

Phone : +91-040-2320 2465

Email ID : advisors@cilsecurities.com

Website : www.cilsecurities.com

ii. Share Transfer System

The Transfer of shares in physical form is processed and completed by Registrar & Transfer Agents within a maximum period of 30 days from the date of receipt, provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

iii. Reconciliation of share Capital Audit :

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed capital. The 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. The Report inter- alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in the physical mode.

iv. Shareholding Pattern as on 31st March, 2021 :

| Category | No. of Shares | % Holding |
|-------------------------------|----------------------|------------------|
| Promoters | - | - |
| Promoters Bodies Corporate | 1969920 | 61.99 |
| Resident Individuals | 10,04,953 | 31.62 |
| Bodies Corporate | 1,96,268 | 6.17 |
| Indian Financial Institutions | - | - |
| Non Resident Indians | 7,059 | 0.22 |
| Government | - | - |
| Trusts | - | - |
| Clearing Members | - | - |
| Mutual Funds | - | - |
| Banks | - | - |
| HUF | - | - |
| Total | 3178200 | 100 |

VASUNDHARA RASAYANS LIMITED

v. Dematerialisation of Shares & Liquidity

The trading in Company's shares is permitted only on dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip-less trading, the Company has enlisted its shares with NSDL and CDSL.

vi. Plant Locations:

C-104, MIDC, Mahad, Raigad, Maharashtra - 402309

vii. Address for correspondence**Sl. Shareholders Correspondence for
No.****Address**

Transfer/Dematerialization/Consolidation /Split of shares, Issue of Duplicate Share Certificates, Non-receipt of dividend/ Bonusshares, etc., change of address of Members and Beneficial Owners and any other query relating to the shares of the Company.

M/s CIL SECURITIES LIMITED

214, Raghava Ratna Tower, Chirag Ali Lane, Chirag Ali Lane, Hyderabad.

Telangana 500 001.

Phone # 91-040-2320 2465

Email ID : advisors@cilsecurities.com

Website : www.cilsecurities.com

Investor Correspondence / Queries on Annual Report, Revalidation of Dividend Warrants, Sub-Division, etc.

Shri Santosh Kumar Jha

Shed No. 42, Phase II, IDA,

Mallapur, Hyderabad - 500 076.

Phone No. : 040-23437617,

040-23437623

Fax No. 040-23437627

Email : info@vrlindia.in

11. Depository Services :

For guidance on Depository Services, Shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd

Trade World, 4th Floor,

Kamala Mills Compound,

Lower Parel, Mumbai - 400 013

Tel. : 091-022-24972964-70

Fax : 091-022-24972993 / 24976351

Email : info@nsdl.co.in

Central Depository Services (India) Ltd

Phiroze Jeejeebhoy Towers,

17th Floor, Dalal Street,

Mumbai - 400 023.

Tel : 091-022-22723333/22723224

Fax : 091-022-22723199

Email : investors@cdslindia.com

12. Company's Policy on prevention of insider trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2016, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board and is also available on Company's Website.

The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

13. OTHER DISCLOSURES**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

During the financial year ended 31st March, 2021, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Notes to financial statements.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

None.

(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, www.vasundhararasayans.in During the financial year under review, none of the Complaint has received.

VASUNDHARA RASAYANS LIMITED

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of non-mandatory requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

(f) Web link where policy on dealing with related party transactions;

The policy on dealing with related party transactions is available on the website of the Company: <http://www.vasundhararasayans.in/investor-relations.php>

(g) Disclosure of commodity price risks and commodity hedging activities:

Not applicable

(h) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Nil

(i) Certificate from Practicing Company Secretaries:

The Company has received a certificate from Mrs. Rakhi Agarwal, Practising Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.

(j) Instances of not accepting any recommendation of the Committee by the Board:

There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

(k) Fees to the Auditors of the Company:

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Auditors of the Company are as below:

| Particulars | Amount (Rs.) |
|--|--------------|
| Fees paid for Audit for the FY 2020-21 | 1,55,000/- |
| Fee for other services including reimbursement of expenses | 9600/- |

The Company has not availed any services from the network firm/network entity of which the Auditors is a part.

VASUNDHARA RASAYANS LIMITED

(I) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year, no complaint was received by the Company.

14. The Company Complied with the requirements of the Schedule V Corporate Governance report sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with all the mandatory requirements of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Adoption of Discretionary Requirements pursuant to SEBI (LODR), 2015 is being reviewed by the Board from time to time.

16. Disclosure with respect to Demat suspense account/ unclaimed suspense account:

Pursuant to the SEBI Circular and Regulation 39 of the SEBI Listing Regulations, 2015, during the year under review, there are no outstanding shares in the demat suspense account.

17. The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company <http://www.info@vrlidnia.in.investor-relations.php>

18. The Company has adopted the policy on preservation of documents in accordance with the Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: <http://www.info@vrlindia.in/investor-relations.php>

19. Transfer of Shares to Investor Education and Protection Fund

As per the provisions of Section 124 of the Companies Act, 2013, shares of the shareholders, who has not claimed dividends for a continuous period of 7 years, shall be

== VASUNDHARA RASAYANS LIMITED ==

transferred to Investor Education and Protection Fund Authority account. Accordingly, the Company has transferred 46680 equity shares to Investor Education and Protection Fund.

The Chief Financial Officer is acting as Compliance Officer for the said purpose. The code is applicable to all such employees, officers, Directors and Promoters of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and others concerned the compliance of the same has been affirmed by them.

20. Particulars of Directors, who are retiring by rotation, seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard-2:

| Name of Director | Shri.Rajesh Pokerna | Shri. Sunil Kumar Jain | Shri. Sanjay Kumar Jain |
|---|---|---|--------------------------------------|
| Expertise in specific functional areas | Having rich experience in Pharmaceuticals Industry. | Having vast experience in financial management and administration | Having vast experience in marketing. |
| Date of Birth | 27-09-1965 | 18-01-1962 | 09-03-1967 |
| Qualification | B.E. | B.Com | B.Com. |
| List of Other Companies in which Directorship is held as on 31 st March, 2021. | 2 | 4 | 9 |
| Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31 st March, 2021 | - | - | - |

VASUNDHARA RASAYANS LIMITED

| Name of Director | Smt. Seema Jain | Shri. Prakash Chand Jain |
|--|--|---|
| Expertise in specific functional areas | She is inducted as director and the company will benefit from her experience to improve the environment of the factory with regard to women employees. | Responsible for the entire production planning, sales and exports of various companies. |
| Date of Birth | 31-05-1970 | 16-09-1944 |
| Qualification | Diploma in Homeopathy and Medical Science | B.Com., LL.B. |
| List of Other Companies in which Directorship is held as on 31 st March, 2021. | 0 | 10 |
| Chairman/Member of the Committees of the Board of other Companies in which he is a Director as on 31 st March, 2021 | - | - |

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

Pursuant to the Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29th October 2004, it is hereby declared that the Company has obtained confirmation from all the Board Members and Senior Management Personnel of the Company for the compliance of the Code of Conduct of the Company for the year 2019-20.

By Order of the Board**For VASUNDHARA RASAYANS LIMITED****Place : Hyderabad****Date : 03.09.2021****Sd/-****PRAKASH CHAND JAIN****WHOLETIME DIRECTOR****DIN No. 00117348**

VASUNDHARA RASAYANS LIMITED

CEO/ CFO CERTIFICATION

To,

The Board of Directors

Vasundhara Rasayans Limited

Hyderabad-500 076.

Dear Members of the Board,

I, Sunil Kumar Jain, Chief Financial Officer of Vasundhara Rasayans limited, to the best of my knowledge and belief, certify that:

1. I have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/ or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. I am responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and I have :
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the

VASUNDHARA RASAYANS LIMITED

preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India.

- c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
- 6. I have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board:
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year have been disclosed in the notes to the financial statements.
 - d. Any instances of significant fraud of which I am aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
- 7. I affirm that we have not denied any personnel access to the audit committee of the Company.
- 8. I further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Sd/-

Place : Hyderabad

Sunil Kumar Jain

Date : 30-06-2021

Chief Financial Officer

VASUNDHARA RASAYANS LIMITED

Certificate under Schedule-V(C)(10)(i) of SEBI
(Listing Obligations and Disclosure Requirements), 2015

To

The Members,

Vasundhara Rasayans Limited, Hyderabad.

I, Rakhi Agarwal, Practicing Company Secretary, have examined the Company and Registrar of Companies records, books and papers of **Vasundhara Rasayans Limited** (the Company) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder for the Financial Year ended on March 31, 2021.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations and representation furnished to us by the Company and its officers, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on 31st March, 2021:

| Sl.No. | Name of Director | Designation | DIN No. |
|--------|----------------------------------|----------------------|----------|
| 1 | SUNIL KUMAR JAIN | Wholetime Director | 00117331 |
| 2 | PRAKASH CHAND JAIN | Wholetime Director | 00117348 |
| 3 | RAJESH POKERNA | Managing Director | 00117365 |
| 4 | SANJAY KUMAR JAIN | Wholetime Director | 00357850 |
| 5 | RAJESH KUMAR JAIN | Independent Director | 01408526 |
| 6 | RAJIV PRITIDAS KAKODKAR | Independent Director | 01519590 |
| 7 | PRAVIN CHANDRA MAJUMDAR POPATLAL | Independent Director | 01954981 |
| 8 | SEEMA JAIN | Wholetime Director | 07158382 |

For RAKHI AGARWAL
COMPANY SECRETARY

Place: Hyderabad
Date : 19.08.2021

RAKHI AGARWAL
PROPRIETOR
FCS NO.:- 7047
UDIN No. F007047C000806637

VASUNDHARA RASAYANS LIMITED

AUDITORS' CERTIFICATE REGARDING CORPORATE GOVERNANCE

To
The Members of
Vasundhara Rasayans Limited

We have examined the compliance of conditions of Corporate Governance by **M/s Vasundhara Rasayans Limited** for the year ended 31st March 2021, as stipulated in SEBI (LODR) Regulations, 2015 with BSE Limited.

The compliance of these conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an Audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Mamta Jain & Associates
Chartered Accountants
(FRN- 328746E)

Sd/-
Mamata Jain
Partner
M. No.304549

Date : 30.6.2021
Place: Kolkata
UDIN No.: 21304549AAABR3703

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of corporate governance, by VASUNDHARA RASAYANS LIMITED , for the year ended 31.03.2021 as stipulated in Regulation 27(2) of (Listing Obligations & Disclosure Requirements) of the said Company with stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

We state that as the records maintained, no investor grievances against the Company are pending for a period exceeding one month before Shareholders/Investors Grievance Committee.

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

For RAKHI AGARWAL
COMPANY SECRETARY

Sd/-

RAKHI AGARWAL
PROPRIETOR
FCS NO.7047, CP NO.6270
UDIN No. F007047C000806659

Place: Hyderabad

Date: 19-08-2021

VASUNDHARA RASAYANS LIMITED

CEO/CFO CERTIFICATION TO THE BOARD

(Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015)

Date : 30.06.2021

I Certify that —

- a. I have reviewed the financial statements and the cash flow statement for the year 2020- 21 and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2020-21 which are fraudulent, illegal or violative of the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee -
 - Significant changes in internal control over the financial reporting during the year 2020-21;
 - Significant changes in accounting policies during the year 2020-21 and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

**By Order of the Board
For VASUNDHARA RASAYANS LIMITED**

**Sd/-
SUNIL KUMAR JAIN
CHIEF FINANCIAL OFFICER
DIN NO: 00117331**

VASUNDHARA RASAYANS LIMITED

Compliance with Code of Business Conduct and Ethics

As provided under regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and the Ethics for the financial year ended 31st March, 2021.

Date : 30.06.2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OUTLOOK

The year of COVID 19 have given new dimensions to most of the businesses as never before kind of situations have witnessed in all sphere of life. One of the major impact due to lockdown has been giving enough time for looking into the various operations and finding new way to do things which helped in reducing operating cost and due to this most of the company's bottom lines have improved significantly without much different top line. Our operations have also witnessed the same recording one of the best results from operations.

OPPORTUNITIES

With the issue of COVID 19, globally people are trying to find an alternate supplier for all its requirements from China. One of major gainer of this situation has been the Indian pharma as well as chemical market. This in general have improved the chances of improving business volume as well as getting business into new territories in the world. This is also helping to open up market for some of the products which were not of significant volume in past. This is helping the company to spread the business with wider base which also helping to improve the profitability of the business.

THREAT & CONCERNS

The raw material prices have been constantly going up and the sea freights have been historically high which would have sever impact on the overall performance. Hope that it would fall in near future. The fuel prices also have increased the logistic costs which also have significant impact on the bottom lines due to low value of the product prices. The above being known phenomena and it is across globe part of the increase is being shared by customers. The raising crude prices this year which impacts most of inputs and packing material also of concern. Part of our income is from exports. Most of our raw material though are available in India their prices greatly depend upon on the import landed price of them. Any volatility in the Currency exchange rate as well as increase in the sea freight would therefore impact the profitability of the Company.

VASUNDHARA RASAYANS LIMITED

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**I. REGISTRATION & OTHER DETAILS :**

| | |
|--|--|
| CIN | L24110TG1987PLC007242 |
| Registration Date | 05/03/1987 |
| Name of the Company | VASUNDHARA RASAYANS LIMITED |
| Category/Sub-category of the Company | Company Limited by Shares/ Indian Non-Government Company. |
| Address of the Registered office & contact details | Plot no. 42, Phase II, IDA, Mallapur, Hyderabad, Telangana – 500003. e-mail id:info@vrlindia.in |
| Whether listed company | Listed |
| Name, Address & contact details of the Registrar & Transfer Agent, if any. | CIL Securities Limited 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad-500001. |

II. Principal Business Activities of the Company (All the business activities contributing 10% or more of the total turnover of the company shall be stated) - Manufacturing of Bulk Drugs.

| S.No. | Name and Description of main products / services | NIC Code of the Product/service | % to Total turnover of the company |
|-------|--|---------------------------------|------------------------------------|
| 1 | Dried Aluminum Hydroxide Gel | 28180000 | 17.27 |
| 2 | Magaldrate | 28429000 | 15.83 |
| 3 | Aluminum Hydroxide Pate | 28183000 | 37.57 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

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

| Name and address of the Company | CIN | Holding/ Subsidiary/ Association | % Shareholding | Applicable Section |
|---------------------------------|-----------------------|----------------------------------|----------------|--------------------|
| P & J CRETECHEM PRIVATE LIMITED | U24222TG2002PTC040102 | Holding | 61.98% | 2(46) |

VASUNDHARA RASAYANS LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

| Category of Shareholders | No. of Shares - held at the beginning of the year [As on 31March-2020] | | | | No. of Shares held at the end of the year [As on 31-March-2021] | | | | % Change during the year |
|---|--|----------|-----------|-------------------|---|----------|-----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | — | — | — | — | — | — | — | — | — |
| b) Central Govt | — | — | — | — | — | — | — | — | — |
| c) State Govt(s) | — | — | — | — | — | — | — | — | — |
| d) Bodies Corp. | 19,69,920 | — | 19,69,920 | 61.98 | 19,69,920 | — | 19,69,920 | 61.98 | — |
| e) Banks / FI | — | — | — | — | — | — | — | — | — |
| f) Any other | — | — | — | — | — | — | — | — | — |
| Total shareholding of Promoter (A) | 19,69,920 | — | 19,69,920 | 61.98 | 19,69,920 | — | 19,69,920 | 61.98 | — |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | — | — | — | — | — | — | — | — | — |
| a) Mutual Funds | — | — | — | — | — | — | — | — | — |
| b) Banks / FI | — | — | — | — | — | — | — | — | — |
| c) Central Govt | — | — | — | — | — | — | — | — | — |
| d) State Govt(s) | — | — | — | — | — | — | — | — | — |
| e) Venture Capital Funds | — | — | — | — | — | — | — | — | — |
| f) Insurance Companies | — | — | — | — | — | — | — | — | — |
| g) FIIs | — | — | — | — | — | — | — | — | — |
| h) Foreign Venture Capital Funds | — | — | — | — | — | — | — | — | — |
| i) Others(specify) | — | — | — | — | — | — | — | — | — |
| Sub-total (B)(1):- | — | — | — | — | — | — | — | — | — |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 90165 | 121900 | 212065 | 6.67 | 71820 | 121900 | 193720 | 6.10 | |

VASUNDHARA RASAYANS LIMITED

| | | | | | | | | | |
|---|----------------|---------------|------------------|------------|----------------|---------------|------------------|------------|----------|
| ii) Overseas | — | — | — | | | | | | |
| b) Individuals | — | — | — | | | | | | |
| i) Individual share holders holding nominal share capital upto Rs. 1 lakh | 453821 | 180843 | 634664 | 19.97 | 468888 | 301800 | 770688 | 24.25 | |
| ii) Individual shareholders holding nominal share capital in excess of Rs.1lakh | 257659 | 315957 | 573616 | 7.32 | 257659 | 163365 | 234265 | 7.37 | |
| c) Others(specify) | | | | | | | | | |
| Non Resident Indians | 7653 | — | 7653 | 0.29 | 7059 | — | 7059 | 0.22 | |
| Overseas Corporate Bodies | — | — | — | — | — | — | — | — | — |
| Foreign Nationals | — | — | — | — | — | — | — | — | — |
| Clearing Members | 172 | — | 172 | 0.01 | 2548 | --- | 2548 | 0.08 | 532 |
| Trusts | — | — | — | — | — | — | — | — | — |
| Foreign Bodies - D R | — | — | — | — | — | — | — | — | — |
| Sub-total B)(2):- | 697408 | 510872 | 12,08,280 | 38.02 | 697408 | 510872 | 12,08,280 | 38.02 | — |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 697408 | 510872 | 12,08,280 | 38.02 | 697408 | 510872 | 12,08,280 | 38.02 | — |
| C.Shares held by Custodian for GDRs & ADRs | - | | | | | | | | — |
| GrandTotal(A+B+C) | 2667328 | 510872 | 31,78,200 | 100 | 2667328 | 510872 | 31,78,200 | 100 | — |

B) Shareholding of Promoter -

| SNo. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|------|-------------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|---|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 1 | P&J CRETECHEM PRIVATE LIMITED | 19,69,920 | 61.98 | — | 19,69,920 | 61.98 | — | — |

VASUNDHARA RASAYANS LIMITED

C) Change in Promoter's Shareholding (Please specify, If there is no change)

| SN | Name of the Share Holder | Shareholding at the beginning of the year (as on 01.04.2020) | | Increase / Decrease Shareholding | | | Shareholding at the end of the year (as on 31.03.2021) | |
|----|--------------------------|--|----------------------------------|----------------------------------|--------|---------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | Date | Reason | No. of shares | No. of shares | % of total shares of the company |
| 1 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

D) Shareholding Pattern of top ten Shareholders :

(Other than Directors, Promoters and Holders of GDRs and ADRs) :

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Increase/(Decrease) Promoters Share-holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/sweat equity etc.) | | Cumulative Share-holding during the year | |
|----|--|---|----------------------------------|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| 1 | GARG LEASING & FINANCE PRIVATE LIMITED | 120000 | 3.78 | --- | --- | 120000 | 3.78 |
| 2 | PRADEEP JAIN | 95000 | 2.99 | --- | --- | 95000 | 2.99 |
| 3 | VINOD AGARWAL | 50000 | 1.57 | --- | --- | 50000 | 1.56 |
| 4 | AJAY KUMAR JAIN | 49500 | 1.56 | --- | --- | 49500 | 0.59 |
| 5 | R. PREMILA | 16215 | 0.59 | 2650 | --- | 18865 | 0.57 |
| 6 | RAMOLI DEALERS PVT. LTD. | --- | --- | --- | --- | 18086 | 0.32 |
| 7 | SOUNDCRAFT MARKETING PROJECT | 10200 | 0.3 | --- | --- | 10200 | 10200 |
| 8 | ANIL BHAI DALPATRAM BUDHBHATTI | --- | --- | 9278 | --- | 9278 | 0.29 |
| 9 | NEELIMA KARLAPUDI | ---- | ---- | 8493 | --- | 8493 | 0.27 |
| 10 | KRUPA ADITYA PATEL | --- | --- | --- | --- | 7000 | 0.22 |

VASUNDHARA RASAYANS LIMITED

E. Shareholding of Directors and Key Managerial Personnel.

| SN | Name of the Share Holder | Shareholding at the beginning of the year (as on 01.04.2020) | | Increase / Decrease Shareholding | | | Shareholding at the end of the year (as on 31.03.2021) | |
|----|--------------------------|--|----------------------------------|----------------------------------|--------|---------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | Date | Reason | No. of shares | No. of shares | % of total shares of the company |
| 1 | Prakash Chand Jain | 500 | 0.02 | | | | 500 | 0.02 |

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment.

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| * Addition | - | - | - | - |
| * Reduction | - | - | - | - |
| Net Change | - | | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | --- | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | --- | | | --- |

== VASUNDHARA RASAYANS LIMITED ==

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

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

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | | Total Amount |
|-----|---|---|--|---|---------------------------------------|--|--------------|
| | | Prakash Chand Jain Director P.A ₹ | Rajesh Pokerna Managing Director P.A ₹ | Sanjay Kumar Jain Whole Time Director P.A ₹ | Seema Jain Women Director P.A ₹ | Sunil Kumar Jain Whole Time Director P.A ₹ | ₹ |
| 1 | Gross salary | 6,00,000 | 18,00,000 | 8,00,000 | 6,00,000 | 8,00,000 | 46,00,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | — | — | — | — | — | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | — | — | — | — | — | |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | — | — | — | — | — | |
| 2 | Stock Option | — | — | — | — | — | |
| 3 | Sweat Equity | — | — | — | — | — | |
| 4 | Commission- as % of profit- others, specify... | — | — | — | — | — | |
| 5 | Others, please specify | — | — | — | — | — | |
| | Total (A) | 6,00,000 | 18,00,000 | 8,00,000 | 6,00,000 | 8,00,000 | 46,00,000 |
| | Ceiling as per the Act | | | | | | |

VASUNDHARA RASAYANS LIMITED

B. Remuneration to other directors :

| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----|--|---|---|--|--|--------------|
| | | Rajesh Kumar Jain Independent Director | Pravin P.Majumdar Independent Director | Rajiv Paritidas Kakodkar Independent Director | Dr. Parag Ashok Sharma Independent Director | ₹ |
| 1 | Independent Directors | — | — | — | — | — |
| | Fee for attending board committee meetings | — | — | — | — | — |
| | Commission | — | — | — | — | — |
| | Others, please specify | — | — | — | — | — |
| | Total (1) | — | — | — | — | — |
| 2 | Other Non-Executive Directors | — | — | — | — | — |
| | Fee for attending board committee meetings | — | — | — | — | — |
| | Commission | — | — | — | — | — |
| | Others, please specify | — | — | — | — | — |
| | Total (2) | — | — | — | — | — |
| | Total (B)=(1+2) | — | — | — | — | — |
| | Total Managerial Remuneration | — | — | — | — | — |
| | Overall Ceiling as per the Act | — | — | — | — | — |

C. Remuneration Key Managerial Personnel other than MD/MANAGER/WTD

| SN. | Particulars of Remuneration | Key Managerial Personnel | | Total |
|-----|---|--|---|-------|
| | | Santosh Kumar Jha Company Secretary | Sunil Kumar Jain Chief Financial Officer | ₹ |
| 1 | Gross salary | 2,70,000 | 8,00,000 | -- |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | — | — | — |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | — | — | — |

== VASUNDHARA RASAYANS LIMITED ==

| | | | | |
|---|--|----------|----------|----|
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | — | — | — |
| 2 | Stock Option | — | — | — |
| 3 | Sweat Equity | — | — | — |
| 4 | Commission | — | — | — |
| | - as % of profit | — | — | — |
| | others, specify... | — | — | — |
| 5 | Others, please specify | — | — | — |
| | Total | 2,70,000 | 8,00,000 | -- |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

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

VASUNDHARA RASAYANS LIMITED

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF VASUNDHARA RASAYANS LIMITED****Report on the Audit of Financial Statements*****Opinion***

We have audited the accompanying financial statements of **VASUNDHARA RASAYANS LIMITED** ("the company") which comprise the Balance Sheet as at March 31 2021, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2021;
- b) in the case of the Statement of Profit and Loss , of the Profit for the year ended on that date.

Basis of 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 (ICAI) 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 on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of

VASUNDHARA RASAYANS LIMITED

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

"We have determined that there are no key audit matters to communicate in our report"

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

VASUNDHARA RASAYANS LIMITED

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 SA's, We exercise professional judgement and maintain professional skepticism throughout the Audit. We also :

Identify and assess the risk of material misstatement of the Financial Statements, whether due to fraud or error, design and perform, audit procedures responsive to those risk, 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 omission, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audits in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 Companies ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosure in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the Audit evidence obtained upto the date of our Auditors 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 underline transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our Audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

VASUNDHARA RASAYANS LIMITED

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 significance deficiency 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 auditors report unless law or regulations 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 for doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, and the Statement of Profit and Loss including other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) on the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

VASUNDHARA RASAYANS LIMITED

- 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 Reports in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

UDIN : 21304549AAAABR3703
Place : Kolkata
Dated : 30th Day of June 2021

For MAMTA JAIN & ASSOCIATES
Chartered Accountants
Firm Reg. No.328746E

Mamta Jain
(Partner)
Membership No.304549

Annexure- A**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in paragraph 1 under the "Report on other Legal and Regulatory requirements" our report to the members of VASUNDHARA RASAYANS LIMITED ('the Company') on the financial statement for the year ended 31st March, 2021, we report that : On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a system of verifying all its major fixed assets at a reasonable intervals. The fixed assets so scheduled for verification during this year have been physically verified by the management. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

VASUNDHARA RASAYANS LIMITED

- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to the information and explanations given to us and records examined by us, the company is generally depositing with appropriate authorities undisputed statutory dues including provident fund, investors education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2021 for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed by us for expressing our opinion on these financial statements and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Paragraph 3(xii) of the order is not applicable since the Company is not the Nidhi Company.

VASUNDHARA RASAYANS LIMITED

- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based on the information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

UDIN : 21304549AAAABR3703
Place : Kolkata
Dated : 30th Day of June 2021

For MAMTA JAIN & ASSOCIATES
Chartered Accountants
Firm Reg. No.328746E

Mamta Jain
(Partner)
Membership No.304549

Annexure-B***Report on the Internal Financial Controls under clause (i) of sub-section 3 of the Companies Act, 2013 ('the Act')***

We have audited the internal financial controls over financial reporting of **VASUNDHARA RASAYANS LIMITED** ("the company") as of 31st March, 2021 in conjunction with our audit of 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditor's 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 the 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the frequency of the internal financial controls system over financial reporting and their effectiveness.

VASUNDHARA RASAYANS LIMITED

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 of our audit opinion on the Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls 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 controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, 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 the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Controls over Financial Reporting

Because of inherent limitations of internal 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.

VASUNDHARA RASAYANS LIMITED

Opinion

In our opinion, the company has, in all material respects, an adequate financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at 31st March 2021, based on the internal financial 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.

UDIN : 21304549AAAABR3703
Place : Kolkata
Dated : 30th Day of June 2021

For MAMTA JAIN & ASSOCIATES
Chartered Accountants
Firm Reg. No.328746E

Mamta Jain
(Partner)
Membership No.304549

VASUNDHARA RASAYANS LIMITED

BALANCE SHEET AS AT 31st MARCH, 2021

| PARTICULARS | Note No. | As At 31st March, 2021 Rs. | As At 31st March, 2020 Rs. |
|---------------------------------------|----------|----------------------------|----------------------------|
| <u>ASSETS</u> | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | 2 | 6,744,334 | 3,001,612 |
| Financial Assets | | | |
| Other Non current assets | 3 | 602,250 | 602,250 |
| Total Non-Current Assets | | 7,346,584 | 3,603,862 |
| Current assets | | | |
| Inventories | 4 | 14,064,760 | 14,959,730 |
| Financial Assets | | | |
| (a) Investments | 5 | 11,244,240 | 9,700,000 |
| (b) Trade Receivables | 6 | 61,699,299 | 62,256,615 |
| (c) Cash and cash equivalents | 7 | 6,905,773 | 8,097,003 |
| (d) Loans | 8 | 26,759,569 | 44,242,102 |
| (e) Other Financial Assets | 9 | 89,650,965 | 46,870,442 |
| Other Current Assets | 10 | 33,638,940 | 57,207,773 |
| Total Current Assets | | 243,963,546 | 243,333,666 |
| TOTAL ASSETS | | 251,310,130 | 246,937,528 |
| <u>EQUITY AND LIABILITIES</u> | | | |
| EQUITY | | | |
| (a) Equity Share capital | 11 | 31,782,000 | 31,782,000 |
| (b) Other Equity | 12 | 166,925,582 | 142,335,575 |
| Total Equity | | 198,707,582 | 174,117,575 |
| LIABILITIES | | | |
| Non current liabilities | | | |
| Financial Liabilities | | | |
| (a) Other Financial liabilities | 13 | 4,752,825 | 2,125,784 |
| Deferred Tax Liabilities (Net) | 14 | 303,892 | 265,395 |
| Total Non-Current Liabilities | | 5,056,717 | 2,391,179 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| (b) Trade Payables | 15 | 21,991,748 | 15,148,010 |
| (c) Other Financial Liabilities | 16 | 4,302,499 | 6,665,905 |
| Other current liabilities | 17 | - | 16,327 |
| Current Tax Liabilities | 18 | 21,251,583 | 48,598,531 |
| Total Current Liabilities | | 47,545,831 | 70,428,773 |
| TOTAL EQUITY & LIABILITIES | | 251,310,130 | 246,937,528 |

SIGNIFICANT ACCOUNTING POLICIES AND

NOTES ON FINANCIAL STATEMENTS

As per our report of even date

FOR MAMTA JAIN & ASSOCIATES

Chartered Accountants

Firm Reg.No. 328746E

Mamta Jain

(Partner)

Membership No. : 304549

UDIN : 21304549AAAAABR3703

12, Waterloo Street, Kolkata-700069

Dated this 30th day of June 2021

1 TO 46

For and on Behalf of Board

1. Rajesh Pokerna
(Managing Director)

DIN No. 00117365

3. Prakash Chand Jain
(Wholetime Director)

DIN No. 00117348

2. Sunil Kumar Jain
(Wholetime Director)

DIN No. 00117331

4. Santosh Kumar Jha
(Company Secretary)

VASUNDHARA RASAYANS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2021

| PARTICULARS | Note No. | As At 31st March, 2021 Rs. | As At 31st March, 2020 Rs. |
|---|----------|----------------------------|----------------------------|
| INCOME : | | | |
| Revenue from operations | 19 | 226,795,332 | 212,842,684 |
| Other income | 20 | 9,943,633 | 11,483,659 |
| Total Income | | 236,738,965 | 224,326,343 |
| EXPENSES : | | | |
| Cost of Materials Consumed | 21 | 103,727,441 | 92,559,937 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 22 | 3,524,625 | 170,485 |
| Employee benefits expense | 23 | 38,844,532 | 34,891,893 |
| Finance costs | 24 | 154,952 | 311,255 |
| Depreciation and amortization expense | 25 | 505,404 | 262,784 |
| Other expenses | 26 | 50,362,635 | 57,065,049 |
| Total Expenses | | 197,119,589 | 185,261,402 |
| Profit before exceptional items and tax | | 39,619,376 | 39,064,940 |
| Exceptional items | 27 | - | - |
| Profit before tax | | 39,619,376 | 39,064,940 |
| Tax expenses: | 28 | | |
| (1) Current tax | | 10,223,570 | 11,028,013 |
| (2) Income Tax Adjustment | | - | (1,839,758) |
| (3) Deferred tax Adjustment | | 38,498 | (6,669) |
| Profit for the year | | 29,357,307 | 29,883,355 |
| Other Comprehensive Income: | | | |
| (1) Items that will not be reclassified to Statement of Profit and Loss | | | |
| (2) Income Tax relating to item that will not be reclassified to Statement of Profit and Loss | | - | - |
| (3) Items that will not be classified to Statement of Profit and Loss | | - | - |
| (4) Income Tax relating to item that will be reclassified to Statement of Profit and Loss | | - | - |
| Total Comprehensive Income for the Year | | 29,357,307 | 29,883,355 |
| Earnings per equity share: | 32 | | |
| (1) Basic | | 9.24 | 9.40 |
| (2) Diluted | | 9.24 | 9.40 |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

As per our report of even date

FOR MAMTA JAIN & ASSOCIATES

Chartered Accountants

Firm Reg.No. 328746E

Mamta Jain

(Partner)

Membership No. : 304549

UDIN : 21304549AAAABR3703

12, Waterloo Street, Kolkata-700069

Dated this 30th day of June 2021

1 TO 46

For and on Behalf of Board

1. Rajesh Pokerna
(Managing Director)
DIN No. 00117365

3. Prakash Chand Jain
(Wholetime Director)
DIN No. 00117348

2. Sunil Kumar Jain
(Wholetime Director)
DIN No. 00117331

4. Santosh Kumar Jha
(Company Secretary)

VASUNDHARA RASAYANS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31-03-2021

A. Equity share capital

| Opening balance as at 1 Apr 2020 | Changes in equity share capital during the year 2020-21 | Closing balance as at 31 Mar 2021 | Changes in equity share capital during the year 2020-21 | Closing balance as at 31 Mar 2021 |
|-------------------------------------|---|--------------------------------------|---|--------------------------------------|
| 31,782,000 | - | 31,782,000 | - | 31,782,000 |

B. Other Equity

| | Reserve and Surplus | | Other Comprehensive Income | Total |
|--|---------------------|-------------------|-------------------------------|-------------|
| | Capital Reserve | Retained Earnings | | |
| As on 31st March 2019 | | | | |
| Balance at the Beginning of the year | 2,125,000 | 114,152,502 | - | 116,277,502 |
| Total Comprehensive Income for the Year | - | 29,883,355 | - | 29,883,355 |
| Dividends | - | (3,178,200) | - | (3,178,200) |
| Tax on Dividends | - | (647,082) | - | (647,082) |
| Balance at the end of the year | 2,125,000 | 140,210,575 | - | 142,335,575 |
| As on 31st March 2020 | | | | |
| Balance at the Beginning of the year | 2,125,000 | 140,210,575 | - | 142,335,575 |
| Total Comprehensive Income for the Year | - | 29,357,307 | - | 29,357,307 |
| Dividends | - | (4,767,300) | - | (4,767,300) |
| Tax on Dividends | - | - | - | - |
| Balance at the end of the year | 2,125,000 | 164,800,582 | - | 166,925,582 |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

As per our report of even date
FOR MAMTA JAIN & ASSOCIATES

Chartered Accountants
Firm Reg.No. 328746E
Mamta Jain
(Partner)
Membership No. : 304549
UDIN : 21304549AAAAABR3703
12, Waterloo Street, Kolkata-700069
Dated this 30th day of June 2021

1 TO 46

For and on Behalf of Board

- | | |
|--|--|
| <p>1. Rajesh Pokerna (Managing Director) DIN No. 00117365</p> <p>3. Prakash Chand Jain (Wholetime Director) DIN No. 00117348</p> | <p>2. Sunil Kumar Jain (Wholetime Director) DIN No. 00117331</p> <p>4. Santosh Kumar Jha (Company Secretary)</p> |
|--|--|

VASUNDHARA RASAYANS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

| PARTICULARS | As at 31st March, 2021 | As at 31st March, 2020 |
|--|------------------------|------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit Before Tax | 39,619,376 | 39,064,940 |
| ADJUSTMENT FOR | | |
| Depreciation | 505,404 | 262,784 |
| Interest on IT refund | (187,067) | - |
| Interest Received | (7,357,142) | (8,852,191) |
| Interest Paid | 154,952 | 311,255 |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 32,735,523 | 30,786,788 |
| ADJUSTED FOR: | | |
| Trade And Other Receivable | 557,316 | (11,140,030) |
| Inventories | 894,970 | 523,415 |
| Loans & Advances | 17,482,533 | 8,729,073 |
| Other Current/Financial Assets | (43,001,734) | (24,949,507) |
| Other Current/Financial Liabilities | 247,308 | 2,604,080 |
| Trade Payables and others | 6,843,738 | 3,597,881 |
| CASH GENERATED FROM OPERATIONS | 15,759,654 | 10,151,700 |
| CASH FLOW BEFORE EXTRA ORDINARY ITEMS | 15,759,654 | 10,151,700 |
| Extra Ordinary Items | | |
| Expense Of earlier Years. | - | - |
| NET CASH FROM OPERATING ACTIVITIES BEFORE TAXES PAID | 15,759,654 | 10,151,700 |
| Taxes Paid During The Year | (14,003,243) | (8,438,188) |
| Income Tax refund | 409,835 | 1,839,758 |
| NET CASH FROM OPERATING ACTIVITIES (A) | 2,166,247 | 3,553,270 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase Of Fixed Assets | (4,248,126) | (1,274,221) |
| Sale of Investment | - | 2,600,000 |
| Acquisition of current investment | (1,544,240) | - |
| Interest Received | 7,357,142 | 8,852,191 |
| | 1,564,776 | 10,177,970 |
| NET CASH USED IN INVESTING ACTIVITIES (B) | 1,564,776 | 10,177,970 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds From/(Repayment of) Short Term Borrowings | - | (4,604,648) |
| Interest Paid | (154,952) | (311,255) |
| Dividend Paid | (4,767,300) | (3,825,282) |
| NET CASH USED IN FINANCING ACTIVITIES (C) | (4,922,252) | (8,741,185) |
| D. NET (DECREASE) IN CASH & CASH EQUIVALENT (A+B+C) | (1,191,230) | 4,990,055 |

VASUNDHARA RASAYANS LIMITED

| PARTICULARS | As at 31st March, 2021 | | As at 31st March, 2020 | |
|---|------------------------|--------------------|------------------------|------------------|
| | | | | |
| NET INCREASED / (DECREASED) IN CASH AND CASH EQUIVALENTS | | | | |
| CASH AND CASH EQUIVALENTS AS AT 1-04-2020(01-04-2019) | 8,097,003 | | 3,106,948 | |
| LESS: CASH AND CASH EQUIVALENTS AS AT 31-03-2021 (31-03-2020) | 6,905,773 | | 8,097,003 | |
| | | (1,191,230) | | 4,990,055 |
| | | | | |

Note:-

- i) Figures in brackets represents cash outflow from respective activities.
- ii) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement notified under the Companies (Accounting Standard) Rules, 2006.
- iii) Previous year figures have been regrouped/rearranged wherever found necessary to make them comparable with those of the current year.

The Schedules referred to above form an integral Part of the Balance Sheet referred to in our report of even date.

FOR MAMTA JAIN & ASSOCIATES

Chartered Accountants

Firm Reg.No. 328746E

Mamta Jain

(Partner)

Membership No. : 304549

UDIN : 21304549AAAABR3703

12, Waterloo Street, Kolkata-700069

Dated this 30th day of June 2021

For and on Behalf of Board

1. Rajesh Pokerna

(Managing Director)

DIN No. 00117365

3. Prakash Chand Jain

(Wholetime Director)

DIN No. 00117348

2. Sunil Kumar Jain

(Wholetime Director)

DIN No. 00117331

4. Santosh Kumar Jha

(Company Secretary)

VASUNDHARA RASAYANS LIMITED

NOTES ON FINANCIAL STATEMENTS**NOTE -1****A Corporate Information**

Vasundhara Rasayans Limited ("the Company") is a listed entity incorporated in India having registered office at Shed No.42, Phase II, IDA Mallapur, Hyderabad-500076. The Company is engaged in manufacturing and selling Antacids therapeutic category of Active Pharm Ingredients.

B Significant Accounting Policies**a) *Basis of preparation of financial statements***

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable

The financial statements are prepared on accrual basis under the historical cost convention method.

b) *Finance Cost*

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

c) *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

d) *Inventories*

Items of inventories are measured at lower cost and net realisable value after providing for obsolescence, if any, except in case of by products which are valued

VASUNDHARA RASAYANS LIMITED

at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

e) *Tax Expenses*

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

f) *Revenue Recognition*

Revenue from sale of goods is recognised when the significant risk and reward of ownership have been transferred to buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of service is recognised when the performance of agreed contractual task has been completed.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from operations includes sale of goods, services, service tax, excise duty, GST and adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Interest income from financial assets is recognised using the effective interest rate method.

Dividend is recognised when the Company's right to receive the payment has been established.

g) *Financial Instrument*

Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement**i. Financial asset carried at amortised cost**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payment of principal and interest on the principal outstanding.

ii. Financial asset at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payment of principal and interest on the principal amount outstanding.

iii. Financial asset at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above category are measured at FVTPL.

C. Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries at cost.

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the company has elected to present the value changes in "Other Comprehensive Income".

Financial Liabilities**A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payable maturing within one year from the balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

Derivative financial instrument and Hedge Accounting

Derivate financial instrument are initially recognised at fair value on the date on which derivative contract is entered into and are also susequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the value is negative.

Any gain or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged items affects profit or loss or treated as basis adjustments if a hedged forecast transactions subsequently results in the recognition of non-financial assets or non financial liability.

Derecognition of financial instrument

The Company derecognizes a financial asset when the contractual right to cash flows from the financial assets expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or part of a financial liability) is derecognized from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

h) Significant Accounting Estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affects the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosures of contingent liabilities. These includes recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and equipment and intangible assets, valuation of Inventories, measurements of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that requires a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimate are revised and in any future periods affected.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR 31ST MARCH 2021

NOTE - 2

| Sr. No | Particulars | Gross Block | | | Depreciation/Amortisation/Depletion | | | Net Block | |
|--------|---|------------------|--------------------------|---------------------------|-------------------------------------|------------------|--------------------------|------------------|----------------------|
| | | As at 01.04.2020 | Addition during the year | Deduction during the year | As at 31.03.2021 | As at 01.04.2020 | Addition during the year | As at 31.03.2021 | WDV as on 31.03.2020 |
| I | <u>Property, Plant & Equipment</u> | | | | | | | | |
| 1 | <u>Tangible Assets:</u> | | | | | | | | |
| 1 | VEHICLES | 4,848,420 | 2,565,063 | - | 7,413,483 | 2,954,803 | 277,911 | 3,232,714 | 1,893,617 |
| 2 | OFFICE EQUIPMENT | 149,821 | 1,396,413 | - | 1,546,235 | 39,994 | 138,185 | 178,179 | 109,827 |
| 3 | PLANT & MACHINERY (UNIT-I) | 1,294,675 | 286,650 | - | 1,581,325 | 296,508 | 89,308 | 385,816 | 998,167 |
| | Total (I) | 6,292,916 | 4,248,126 | - | 10,541,043 | 3,291,305 | 505,404 | 3,796,709 | 3,001,612 |

Pursuant to the enactment of the Companies Act 2013, the company has applied the estimated useful life as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated/ amortised over the revised/ remaining useful lives.

PREVIOUS YEAR

| Sr. No | Particulars | Gross Block | | | Depreciation/Amortisation/Depletion | | | Net Block | |
|--------|---|------------------|--------------------------|---------------------------|-------------------------------------|------------------|--------------------------|------------------|----------------------|
| | | As at 01.04.2019 | Addition during the year | Deduction during the year | As at 31.03.2020 | As at 01.04.2019 | Addition during the year | As at 31.03.2020 | WDV as on 31.03.2019 |
| I | <u>Property, Plant & Equipment</u> | | | | | | | | |
| 1 | <u>Tangible Assets:</u> | | | | | | | | |
| 1 | VEHICLES | 3,606,520 | 1,241,900 | - | 4,848,420 | 2,806,614 | 148,189 | 2,954,803 | 799,906 |
| 2 | OFFICE EQUIPMENT | 117,500 | 32,321 | - | 149,821 | 13,252 | 26,742 | 39,994 | 104,248 |
| 3 | PLANT & MACHINERY (UNIT-I) | 1,294,675 | - | - | 1,294,675 | 208,655 | 87,853 | 296,508 | 1,086,020 |
| | Total (I) | 5,018,695 | 1,274,221 | - | 6,292,916 | 3,028,521 | 262,784 | 3,291,305 | 1,990,174 |

VASUNDHARA RASAYANS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

NOTE 3

| <u>Other Non Current Assets</u> | As at 31st March,2021 | As at 31st March,2020 |
|--------------------------------------|--------------------------|--------------------------|
| <u>Unsecured and considered good</u> | | |
| Advance against Residential Flat | 602,250 | 602,250 |
| Total | 602,250 | 602,250 |

NOTE 4

| <u>Inventories</u> | As at 31st March,2021 | As at 31st March,2020 |
|---------------------------------|--------------------------|--------------------------|
| a. Raw Materials and components | 10,027,139 | 7,504,298 |
| b. Finished goods | 2,685,850 | 6,210,475 |
| c. Consumable Stores | 733,271 | 694,957 |
| d. Packing Materials | 618,500 | 550,000 |
| Total | 14,064,760 | 14,959,730 |

NOTE 5

| <u>Investments- Current</u> | As at 31st March,2021 | As at 31st March,2020 |
|--|--------------------------|--------------------------|
| <u>Investment measured at Fair Value Through Profit & Loss</u> | | |
| (a) <i>Investments in Mutual Fund</i> | | |
| Northeast Chit Fund Services Pvt Ltd | 1,144,240 | - |
| Franklin India Prama Plus | 2,200,000 | 2,000,000 |
| ICICI Prudential Balanced Advance Fund | 5,000,000 | 5,000,000 |
| Reliance TOP 200 Fund | 2,900,000 | 2,700,000 |
| Total | 11,244,240 | 9,700,000 |

NOTE 6

| <u>Trade Receivables(Unsecured, considered good)</u> | As at 31st March,2021 | As at 31st March,2020 |
|--|--------------------------|--------------------------|
| Trade Receivables | 61,699,299 | 62,256,615 |
| Total | 61,699,299 | 62,256,615 |

VASUNDHARA RASAYANS LIMITED

NOTE 7

| <u>Cash and cash equivalents</u> | As at 31st March,2021 | As at 31st March,2020 |
|--|--------------------------|--------------------------|
| | - | - |
| a. Balances with Scheduled Banks in Current Accounts | 6,818,277 | 7,957,472 |
| b. Cash in hand | 87,497 | 139,531 |
| Total | 6,905,773 | 8,097,003 |

NOTE 8

| <u>Loans- Current(Unsecured and Considered Good)</u> | As at 31st March,2021 | As at 31st March,2020 |
|---|--------------------------|--------------------------|
| | - | - |
| Loans & Advances To others | 26,759,569 | 44,242,102 |
| Total | 26,759,569 | 44,242,102 |

NOTE 9

| <u>Other Financial Assets-Current</u> | As at 31st March,2021 | As at 31st March,2020 |
|---------------------------------------|--------------------------|--------------------------|
| | - | - |
| Deposits | 88,859,580 | 45,901,611 |
| Advance to Staff | 791,385 | 968,831 |
| Total | 89,650,965 | 46,870,442 |

NOTE 10

| <u>Other Current Assets</u> | As at 31st March,2021 | As at 31st March,2020 |
|---|--------------------------|--------------------------|
| | - | - |
| Advance to Suppliers and Others | 261,551 | 2,267,107 |
| Balance with Revenue Authorities | | |
| Balance with Excise Authority | 1,154,295 | 1,154,295 |
| Balance with GST Authority | 9,878,043 | 7,651,276 |
| Advance Income Tax | 18,000,000 | 36,500,000 |
| TDS Receivables | 1,369,933 | 1,903,215 |
| Self Assessment Tax | 2,960,000 | 7,731,880 |
| TCS Receivables | 15,118 | - |
| Total | 33,638,940 | 57,207,773 |

VASUNDHARA RASAYANS LIMITED

NOTE 11

| <u>Share Capital</u> | As at 31st March,2021 | As at 31st March,2020 |
|---|--------------------------|--------------------------|
| Authorised 45,00,000 Equity Shares of Rs 10/- each | 45,000,000 | 45,000,000 |
| Issued, Subscribed & Paid up 31,78,200 Equity Shares of Rs 10/- each fully paid in cash | 31,782,000 | 31,782,000 |
| Total | 31,782,000 | 31,782,000 |

NOTE 11.1

The reconciliation of the Number of Shares Outstanding and the amount of Share Capital.:

| <u>Particulars</u> | Equity Shares(31.03.2021) | | Equity Shares(31.03.2020) | |
|---|---------------------------|------------|---------------------------|------------|
| | Number | Amount | Number | Amount |
| Shares outstanding at the beginning of the year | 3,178,200 | 31,782,000 | 3,178,200 | 31,782,000 |
| Shares Issued during the year | - | - | - | - |
| Shares outstanding at the end of the year | 3,178,200 | 31,782,000 | 3,178,200 | 31,782,000 |

NOTE 11.2

All the equity shares carry equal rights and obligations including for dividend and with respect to voting.

NOTE 11.3

| | As at 31st March,2021 | | As at 31st March,2020 | |
|---------------------------------|-----------------------|------------|-----------------------|------------|
| | Numbers | Amount | Numbers | Amount |
| P & J Cretechem Private Limited | 1,969,920 | 19,699,200 | 1,969,920 | 19,699,200 |

NOTE 11.4

The details of Shareholders holding more than 5% shares:

| SR NO | <u>Name of Shareholder</u> | As at 31st March,2021 | | As at 31st March,2020 | |
|----------|---------------------------------|-----------------------|--------------|-----------------------|--------------|
| | | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| 1 | P & J Cretechem Private Limited | 1,969,920 | 61.98 | 1,969,920 | 61.98 |

NOTE 11.5

The Company has not issued any securities convertible into equity / preference shares.

VASUNDHARA RASAYANS LIMITED

NOTE 11. 6

During any of the last five years from year ended 31st March,2021

- a.) No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- b.) No shares were allotted as fully paid up by way of bonus shares.
- c.) No shares were bought back.

NOTE 11. 7

Each holder of equity shares is entitled to one vote per share.

NOTE 12

| <u>Other Equity</u> | As at 31st March,2021 | As at 31st March,2020 |
|--|--------------------------|--------------------------|
| | - | - |
| a. Capital Reserves | | |
| Balance as per last financial statement | 2,125,000 | 2,125,000 |
| Closing Balance (A) | 2,125,000 | 2,125,000 |
| b. Surplus in the statement of profit & loss | | |
| Balance as per last financial statement | 140,210,575 | 114,152,502 |
| Add: Profit for the year | 29,357,307 | 29,883,355 |
| Other Comprehensive Income | - | - |
| Less: Appropriations | | |
| Final equity dividend (amount Rs 1.50 per shares)-for the Year 2019-20 | 4,767,300 | 3,178,200 |
| Tax on equity dividend | - | 647,082 |
| Net surplus in the statement of profit and loss (B) | 164,800,582 | 140,210,575 |
| Total(A +B) | 166,925,582 | 142,335,575 |

NOTE 13

| <u>Other Financial Liabilities</u> | As at 31st March,2021 | As at 31st March,2020 |
|---------------------------------------|--------------------------|--------------------------|
| | - | - |
| Plan Assets - Gratuity (Net of PVDBO) | 4,752,825 | 2,125,784 |
| Total | 4,752,825 | 2,125,784 |

NOTE 14

| <u>Deferred tax Liabilities</u> | As at 31st March,2021 | As at 31st March,2020 |
|---------------------------------|--------------------------|--------------------------|
| | - | - |
| Deferred tax liabilities (Net) | 303,892 | 265,395 |
| Total | 303,892 | 265,395 |

== VASUNDHARA RASAYANS LIMITED ==

NOTE 15

| <u>Trade payables</u> | As at 31st March,2021 | As at 31st March,2020 |
|---|--------------------------|--------------------------|
| | - | - |
| Total outstanding dues of Micro and Small enterprises | - | - |
| Sundry Creditors for Goods | 13,731,527 | 8,705,871 |
| Sundry Creditors for Expense | 8,260,221 | 6,442,139 |
| Total | 21,991,748 | 15,148,010 |

NOTE 16

| <u>Other Financial Liabilities</u> | As at 31st March,2021 | As at 31st March,2020 |
|------------------------------------|--------------------------|--------------------------|
| | - | - |
| Liabilities for Expenses | 4,226,590 | 6,370,376 |
| Other Liabilities | 75,909 | 295,529 |
| Total | 4,302,499 | 6,665,905 |

NOTE 17

| <u>Other Current Liabilities</u> | As at 31st March,2021 | As at 31st March,2020 |
|----------------------------------|--------------------------|--------------------------|
| | - | - |
| Advances from Customers | - | 16,327 |
| Total | - | 16,327 |

NOTE 18

| <u>Current Tax Liabilities</u> | As at 31st March,2021 | As at 31st March,2020 |
|--------------------------------|--------------------------|--------------------------|
| | - | - |
| Provision for taxation | 21,251,583 | 48,598,531 |
| Total | 21,251,583 | 48,598,531 |

VASUNDHARA RASAYANS LIMITED

NOTE 19

| <u>Revenue from operation</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|-------------------------------|--|--|
| | - | - |
| Sale of products | 226,795,332 | 212,842,684 |
| | 226,795,332 | 212,842,684 |
| Total | 226,795,332 | 212,842,684 |

NOTE 20

| <u>Other Income</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|-------------------------------|--|--|
| | - | - |
| Duty Drawback | 683,581 | 433,165 |
| Exchange Fluctuation | 956,381 | - |
| Interest Received (Gross) | 7,544,209 | 8,852,191 |
| Misc. Income | 759,461 | 1,405,700 |
| Profit on sale of Mutual Fund | - | 534,205 |
| Actuarial Gain on Plan Assets | - | 258,398 |
| Total | 9,943,633 | 11,483,659 |

NOTE 21

| <u>Particulars</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|---|--|--|
| | - | - |
| COST OF MATERIALS CONSUMED | | |
| Inventory at the beginning of the year | 8,749,255 | 9,102,185 |
| Add: Purchases of Raw Material, Consumables, Packing Materials & Utilities during the year | 106,357,096 | 92,207,007 |
| | 115,106,351 | 101,309,192 |
| Less: Inventory at the end of the year | 11,378,910 | 8,749,255 |
| Cost of raw materials consumed | 103,727,441 | 92,559,937 |
| Details of Raw materials/Stores/Packing Material consumed | | |
| Aluminium Chloride Solution | 1,994,633 | 2,495,231 |
| Aluminium Hydroxide/wetcake | 43,052,097 | 31,412,722 |
| Anhydrous Ammonia | - | 2,191,548 |
| Furnace Oil | 11,180,656 | 7,766,597 |
| Magnesium Hydroxide | 6,941,804 | 2,915,709 |
| Soda Ash Light | 6,655,030 | 10,977,188 |
| Stores Spares & Consumables | 2,832,286 | 2,846,352 |
| Packing Materials | 5,288,101 | 5,027,711 |
| Others | 25,782,834 | 26,926,879 |
| | 103,727,441 | 92,559,937 |
| Details of Raw materials/Stores/Packing Material inventory | | |
| ETDA Pure Acid | 1,865,491 | 1,952,500 |
| Soda Ash Light | 570,000 | 1,121,580 |
| Aluminium Chloride Solution | 4,405 | 361,612 |
| Alumina Tri Hydrate | 1,019,548 | 1,112,969 |
| Stores Spares & Consumables | 733,271 | 694,957 |
| Packing Materials | 618,500 | 550,000 |
| Others | 6,567,695 | 2,955,637 |
| | 11,378,910 | 8,749,255 |

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| Details of Raw materials/Stores/Packing Material inventory | | |
|--|-------------------|------------------|
| ETDA Pure Acid | 1,865,491 | 1,952,500 |
| Soda Ash Light | 570,000 | 1,121,580 |
| Aluminium Chloride Solution | 4,405 | 361,612 |
| Alumina Tri Hydrate | 1,019,548 | 1,112,969 |
| Stores Spares & Consumables | 733,271 | 694,957 |
| Packing Materials | 618,500 | 550,000 |
| Others | 6,567,695 | 2,955,637 |
| | 11,378,910 | 8,749,255 |

NOTE 22

| <u>Particulars</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|---|--|--|
| | - | - |
| <u>CHANGES IN INVENTORIES</u> | | |
| <u>FINISHED GOODS</u> | | |
| At the beginning of the Period | 6,210,475 | 6,380,960 |
| At the end of the Period | 2,685,850 | 6,210,475 |
| | 3,524,625 | 170,485 |
| <u>WORK-IN-PROGRESS</u> | | |
| At the beginning of the Period | - | - |
| At the end of the Period | - | - |
| | - | - |
| <u>FINISHED GOODS FOR FURTHER PROCESSING</u> | | |
| At the beginning of the Period | - | - |
| At the end of the Period | - | - |
| | - | - |
| Total | 3,524,625 | 170,485 |
| <u>Details of inventory</u> | | |
| <u>Finished goods</u> | | |
| Dried Aluminium Hydroxide Gel | 112,000 | 2,915,250 |
| Magnesium Hydroxide | 2,010,600 | 2,665,225 |
| Magnesium Tri Silicate | 27,000 | 180,000 |
| Magaldrate | 536,250 | 450,000 |
| | 2,685,850 | 6,210,475 |

NOTE 23

| <u>Employee Benefits Expense</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|--|--|
| | - | - |
| (a) Salaries, Wages and Bonus | 29,957,155 | 27,953,050 |
| (b) Contributions to EPF and Other Funds | 1,467,726 | 1,668,860 |
| (c) Staff Welfare Expenses | 1,450,453 | 998,927 |
| (d) Gratuity and Workmen Compensation | 5,744,731 | 4,043,155 |
| (e) Leave Encashment | 224,467 | 227,901 |
| Total | 38,844,532 | 34,891,893 |

NOTE 24

| <u>Finance costs</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|----------------------|--|--|
| | - | - |
| Interest | | |
| To Bank | 154,952 | 154,715 |
| To Others | - | 156,540 |
| Total | 154,952 | 311,255 |

NOTE 25

| <u>Depreciation & Amortization</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|--|--|
| | - | - |
| Depreciation | 505,404 | 262,784 |
| Total | 505,404 | 262,784 |

Note 26

| <u>Other Expenses</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|--|--|
| | - | - |
| Manufacturing Expenses | | |
| Analytical/Testing/Processing Charges | 310,461 | 179,102 |
| Carriage inward | 778,063 | 3,517,534 |
| Electricity Charges | 5,695,228 | 4,972,982 |
| Export Expenses | 4,186,834 | 5,115,565 |
| Packing & Forwarding Charges | 143,590 | 3,690 |
| Repairs and Maintenance of Factory Buildings | 24,335 | 426,667 |
| Repairs and Maintenance of Plant & Machinery | 349,937 | 883,608 |
| Repairs and Maintenance of Others | 290,185 | 1,386,816 |
| Waste Effluent Expenses | 2,903,987 | 4,125,157 |
| Water Charges | - | 751,776 |
| Total (A) | 14,682,620 | 21,362,897 |

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| | | |
|---|-------------------|-------------------|
| Administrative, selling and other expenses | | |
| Advertisement Expenses | 50,916 | 74,709 |
| AGM Expenses | 7,500 | 14,610 |
| Bank Charges | 208,009 | 262,656 |
| Books, Subscriptions & Periodicals | 186,540 | 158,500 |
| Business Promotion Expenses | - | 2,561,384 |
| Carriage Outward | 9,373,357 | 7,107,426 |
| Cab Hire Charges | 897,925 | 798,902 |
| Commission On Sales | 6,227,698 | 5,633,347 |
| Conveyance Expenses | 235,361 | 336,859 |
| Directors Remuneration | 4,495,000 | 4,750,000 |
| Discount | 9,925 | 1,117,585 |
| Donation | 1,150,000 | 1,100,000 |
| E- Voting Charges | 7,576 | 3,440 |
| Exchange Fluctuation | - | 205,998 |
| Filing Fees | 9,750 | 12,211 |
| Fork Lift Maintenance | 14,050 | 31,917 |
| Fumigation/Pest Control Charges | 20,400 | 20,400 |
| Garden Maintenance | - | 6,400 |
| General Expenses | 687,336 | 242,180 |
| Insurance Expenses | 1,128,237 | 872,915 |
| Listing & Registration Charges | 300,000 | 300,000 |
| Memberships Fee | 45,100 | 45,100 |
| Office & Guest House Maintenance | 238,848 | 300,218 |
| Postage & Courier Charges | 198,963 | 519,666 |
| Printing & Stationery | 441,466 | 452,436 |
| Professional Charges | 2,184,738 | 987,807 |
| Rates & Taxes | 597,210 | 715,560 |
| Rent Paid | 5,631,000 | 5,631,000 |
| Telephone & Cell Phone Expenses | 180,286 | 179,940 |
| Travelling Expenses | 523,702 | 777,365 |
| Vehicle Maintenance | 134,808 | 40,813 |
| VRL Colony Maintenance | 50,446 | 10,485 |
| Weighment, Load/Unloading & Hamali Charges | 279,269 | 235,605 |
| Remuneration to Auditors: | | |
| Audit Fee | 164,600 | 194,718 |
| Total (B) | 35,680,016 | 35,702,152 |
| Total(A+B) | 50,362,635 | 57,065,049 |

Note 27

| <u>Exceptional Items</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--------------------------|--|--|
| | - | - |
| Exceptional Expense | - | - |
| Total | - | - |

Note 28

| <u>Tax Expense</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|---------------------------------------|--|--|
| Rs. | Rs. | Rs. |
| (a) Current Tax | | |
| Provision for Income Tax | 10,223,570 | 11,028,013 |
| Balance debited to P/L A/c. | 10,223,570 | 11,028,013 |
| (b) Income Tax Adjustment | - | -1,839,758 |
| | - | -1,839,758 |
| (c) Deferred Tax Liability Adjustment | 38,498 | -6,669 |

Note 29

| <u>Earning per share (EPS) (IND AS 33)</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|--|--|--|
| | - | - |
| Numerator used for Calculating basic and diluted Earning Per Share - Profit After Taxation | 29,357,307 | 29,883,355 |
| Weighted average no. of Shares used as denominator for Calculating EPS. | 3,178,200 | 3,178,200 |
| Nominal Value Per Share | 10 | 10 |
| Basic and Diluted Earning Per Share | 9.24 | 9.40 |

Note 30

| <u>Payment to Auditor as</u> | For the year ended 31st March, 2021 | For the year ended 31st March, 2020 |
|------------------------------|--|--|
| | - | - |
| a. Statutory audit fee | 60,000 | 60,000 |
| b. Internal audit fee | 80,000 | 80,000 |
| c. Tax audit fee | 15,000 | 15,000 |
| d. Reimbursement of expenses | 9,600 | 39,718 |
| Total | 164,600 | 194,718 |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March, 2021

31 FINANCIAL RISK MANAGEMENT OBJECTIVES (IND AS 107)

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company uses derivative financial instruments, such as foreign exchange forward contracts, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The source of risks which the Company is exposed to and their management are given below. :

| Risk | Exposure Arising From | Measurement | Management |
|---------------------------------|---|--|--|
| A. Market Risk | | | |
| 1) Foreign Exchange Risk | Committed commercial transaction Financial asset and Liabilities not denominated in INR | Cash Flow Forecasting Sensitivity Analysis | Forward foreign exchange contracts |
| 2) Interest Rate | Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds and Other Debt Securities | Sensitivity Analysis, Interest rate movements | Portfolio Diversification |
| 3) Commodity Price Risk | Movement in prices of commodities | Sensitivity Analysis, Commodity price tracking | Active inventory management, Sales Price linked to purchase price |
| B. Credit Risk | Trade receivables, Investments Derivative financial instruments Loans. | Aging analysis, Credit Rating | Diversification of mutual fund investments, Credit limit and credit worthiness monitoring, Criteria based approval process |
| C. Liquidity Risks | Borrowings and Other Liabilities and Liquid investments | Rolling cash flow forecasts Broker Quotes | Adequate unused credit lines and borrowing facilities Portfolio Diversification |

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by internal auditors on periodicals basis.

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The Corporate Treasury team updates the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates to the Internal Risk Management Committee of Company on periodical basis about the various risk to the business and status of various activities planned to mitigate the risk.

A. Market Risk Management:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

1) Foreign Currency Risk :

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to risk of changes in foreign exchange rates relates primarily to import of raw materials, spare parts, capital expenditure & Exports of finished goods.

When a derivative is entered for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedge exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

Forward exchange Contracts :

Derivatives for hedging foreign currency risk with respect to outstanding payable/receivables & highly probable forecasted transaction:

| Particulars | Purpose | Currency | As at 31st March, 2021 | As at 31st March, 2021 |
|-------------------|---------|----------|---------------------------|---------------------------|
| Forward Contracts | | | Nil | Nil |

2) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates primarily to the Company's short-term borrowing. The Company constantly monitors the credit markets and rebalances its

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financing strategies to achieve an optimal maturity profile and financing cost. since all the borrowings are on floating rate, no significant risk of change in interest rate.

INR Interest Rate Exposure : (Rs. in Lakhs)

| Particulars | Total Borrowings | Floating rate borrowings |
|-----------------------------|------------------|--------------------------|
| Total as at 31st March 2021 | 0 | 0 |
| Total as at 31st March 2020 | 0 | 0 |

Interest rate sensitivities for unhedged exposure (impact on increase in 100 bps) (Rs. in Lakhs)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|-------------|------------------------|------------------------|
| INR | 0 | 0 |

3) Commodity price risk

Commodity price risk for the Company is mainly related to fluctuations of raw materials prices linked to various external factors, which can affect the production cost of the Company actively manages inventory and in many cases sale prices are linked to major raw material prices. Energy costs is also one of the primary costs drivers, any fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into long-term supply agreement for power, identifying new sources of supply etc. Additionally, processes and policies related to such risks are reviewed and managed by senior management on continuous basis.

B. Credit Risk Management:

Credit risk arises when a customer or counter party does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with banks, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Company has five major clients which represents 80% receivables as on 31st March, 2021 and company is receiving payments from these parties within due dates. Hence, the company has no significant credit risk related to these parties.

Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the company assesses the credit risk as high the exposure is backed by either letter of credit or security deposits.

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As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit
Credit Risk on cash and cash equivalent, deposits with the banks/ financial institutions is generally low as the said deposits have been made with the banks/ financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of mutual funds. These Mutual Funds and Counterparties have low credit risk

Total current investments as on 31st March, 2021 is Rs.112.44 Lacs (31st March, 2020- Rs. 97 Lacs).

C Liquidity Risk Management:

Liquidity risk is defined as the risk that the Company will not able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of fund through an adequate amount of credit facilities to meet obligations when due. The company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts based on expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

| As at 31st March, 2021 | Less than 1 Year | 1 to 5 Years | More than 5 Years | Total |
|--|---------------------|-----------------|----------------------|--------|
| Borrowings (including current maturities of long-term debts) | - | - | - | - |
| Trade payables | 219.92 | - | - | 219.92 |
| Interest accrued but not due on borrowings | - | - | - | - |
| Other financial liabilities (excluding derivative liability) | - | - | - | - |
| Derivative liability/ (Assets) | - | - | - | - |
| Investments | 112.44 | - | - | 112.44 |

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| As at 31st March, 2020 | Less than 1 Year | 1 to 5 Years | More than 5 Years | Total |
|--|---------------------|-----------------|----------------------|--------|
| Borrowings (including current maturities of long-term debts) | - | - | - | - |
| Trade payables | 219.92 | - | - | 219.92 |
| Interest accrued but not due on borrowings | - | - | - | - |
| Other financial liabilities (excluding derivative liability) | - | - | - | - |
| Derivative liability/ (Assets) | - | - | - | - |
| Investments | 97.00 | - | - | 97.00 |

32(A)-Classifications of Financial Assets and Liabilities (Ind As 107)

(Rs. in Lakhs)

| PARTICULARS | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|--|-----------------------------------|-----------------------------------|
| Financial Assets at amortised cost # | | |
| Trade Receivables | 617 | 623 |
| Other Financial Assets | 897 | 469 |
| Cash and Cash Equivalents | 69 | 81 |
| Bank Balance other than Cash & Cash Equivalents | - | - |
| Financial Assets at fair value through profit or loss | | |
| Investments | 112 | 97 |
| Financial Assets at fair value through other comprehensive income | | |
| Investments (Non- Current) | - | - |
| Total | 1,695 | 1,269 |
| Financial Liabilities at amortised cost # | | |
| Term Loan from Banks | - | - |
| Cash Credits/Working Capital Borrowing | - | - |
| Trade Payables | 220 | 151 |
| Other Financial Liabilities | 43 | 67 |
| Fair Value Hedging Instruments | | |
| Derivative liability/ (Asset) | - | - |
| Total | 263 | 218 |

#Considering nature of financial assets and financial liabilities, fair value is same as amortised cost.

(B) - FAIR VALUE MEASUREMENTS (IND AS 113):

The fair values of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are trade in the stock exchanges is valued using the closing price or dealer quotation as at reporting date.

Level 2: The fair value of financial instruments that are not traded in as active market (For example trade bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(Rs. in Lakhs)

| PARTICULARS | Fair Value | |
|---|-----------------------------------|-----------------------------------|
| | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
| Financial assets at fair value through profit or loss | | |
| Investments- Level 2 | 112.44 | 97.00 |
| Fiancial assets at fair value through other comprehensive income | | |
| Investments- Level 2 | - | - |
| Fair Value derivative | | |
| Derivative liability/ (Asset) Level 2 | - | - |

The management assessed that fair value of cash and bank balances, trade receivables, trade payables, cash credits, commercial papers and other financial assets and liabilities approximate their carrying amounts largely due to the short- term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values.

- (a) The fair values of the quoted investments/units of mutual fund schemes are based on market price/ net asset value at the reporting date.
- (b) The fair values of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- (c) The fair value of the remaining financial instruments is determined using discounted cash flow analysis or based on the contractual terms. The discount rates used is based on management estimates.

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33(A) Distribution Made and Proposed (IND AS 1) :

| PARTICULARS | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|-----------------------------------|-----------------------------------|
| Cash dividends on equity shares declared and paid | | |
| Final dividend for the year ended on 31st March, 2021 : Rs. 1.50 per share (31st March, 2020 : Rs 1.50) | 47.67 | 31.78 |
| DDT on final dividend | - | 6.47 |
| Total Dividend paid | 47.67 | 38.25 |
| Proposed dividends on Equity shares: | | |
| Proposed dividend for the year ended on 31st March, 2021 Rs. 1.50 Per share/. | 47.67 | |
| Total Dividend proposed | 47.67 | |

Proposed dividendes on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at 31st March 2021

(B) - CAPITAL MANAGEMENT (IND As 1):

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the pupose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt dividend by total equity.

(Rs. in Lakhs)

| PARTICULARS | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|--|-----------------------------------|-----------------------------------|
| Total Debt (Bank and Other Borrowings) | - | - |
| Equity | 1,987.08 | 1,741.08 |
| Debt to Equity (Net) | - | - |

In addition the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

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34. INCOME TAXES (IND AS 12) :**(i) Reconciliation of Effective Tax Rate :**

| PARTICULARS | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|--|--|
| Profit before Tax Rs./lacs | 396.19 | 390.65 |
| Tax Expenses Rs. / lacs | 102.24 | 110.28 |
| Effective Tax Rate (in %) | 25.80 | 28.23 |
| Effect of Non-Deductible expenses (in %) | - | - |
| Effect of Allowances for tax purpose (in %) | - | - |
| Others (in %) | - | - |
| Applicable Tax Rate (in %) | 25.80 | 28.23 |

35. GOVERNMENT GRANT (IND AS 20) :

Government grant received during the year - Rs. Nil (Previous Year Nil)

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March, 2021

NOTE : 36 - AS PER IND AS - 24 RELATED PARTY DISCLOSURES :

RELATED PARTY DISCLOSURE :

(I) As per Ind AS 24, the disclosures of transactions with the related parties are given below :

List of related parties where control exist and also related parties with whom transactions have taken place and relationships :

List of related parties with whom transactions have taken place during the year

| STATUS | NAME OF THE RELAEED PARTY |
|--------------------------|---|
| Holding Company | P & J Cretech Pvt. Ltd. |
| Entities having Common | Taurus Chemicals Pvt. Ltd. |
| Key Managerial Personnel | Prakash Chand Jain Rajesh Pokerna Sunil Kumar Jain Sanjay Kumar Jain Seema Jain |

ii) Transactions during the year with related parties :

| S.No. | Nature of Transaction | Holding Company | Key Managerial Personnel | Relatives | Others | Total |
|-------|-----------------------|-----------------|--------------------------|-----------|------------------|------------------|
| 1. | Purchase of Goods | 550,234 | - | - | 2,338,058 | 2,888,292 |
| | | - | - | - | 3,962,971 | 3,962,971 |
| 2. | Sale of Goods | - | - | - | 623,040 | 623,040 |
| | | 311,638 | - | - | - | 311,638 |
| 3. | Remuneration | - | 4,495,000 | - | - | 4,495,000 |
| | | - | 4,750,000 | - | - | 4,750,000 |

Note :

Figures in Bold represents Previous Year's amount.

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Disclosure in Respect of Material Related Party Transaction during the year :-

| Particulars | Relationship | 2020-21 | 2019-20 |
|----------------------------|-----------------|------------------|-----------|
| 1 Purchase of Goods | | | |
| P&J Cretechem Pvt. Ltd | Holding Company | 550,234 | 1,307,168 |
| Taurus Chemicals Pvt.Ltd. | Others | 2,338,058 | 3,962,971 |
| 2 Sale of goods | | | |
| P&J Cretechem Pvt. Ltd | Holding Company | - | 311,638 |
| Taurus Chemicals Pvt.Ltd. | Others | 623,040 | - |
| 3 Remuneration | | | |
| Prakash Chand Jain | Key Managerial | 600,000 | 750,000 |
| Sunil Kumar Jain | Key Managerial | 800,000 | 800,000 |
| Rajesh Pokerna | Key Managerial | 1,800,000 | 1,800,000 |
| Sanjay Kumar Jain | Key Managerial | 800,000 | 800,000 |
| Seema Jain | Key Managerial | 600,000 | 600,000 |

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

37 Contingent liabilities (To the extent not provided for) (IND AS 37) - Rs. Nil. (Previous Year : Rs. Nil)

38 DEFERRED TAX :

i) Deferred Tax Assets and Liabilities is provided using the Balance Sheet method on temporary differences between the tax base of assets and liabilities and the carrying amount for financial reporting purposes at the reporting date.

ii) Computation of Deferred Tax Assets/Liabilities (Net)

| Particulars | Upto 31.03.2020 LIABILITIES | For the Current year LIABILITIES | As on 31.03.2021 LIABILITIES |
|--|-----------------------------------|--|------------------------------------|
| DEFERRED TAX ASSETS/LIABILITIES | | | |
| The balances is comprises of temporary differences attributable to : Property, Plant and Equipments | 265,395 | (38,498) | 303,893 |
| | 265,395 | (38,498) | 303,893 |

39 Disclosure in accordance with IND AS-19 on "Employee Benefits"

Defined Contribution Plan - The Company has recognised the following amounts in the Statement of Profit & Loss for the Year.

| Particulars | 2020-21 | 2019-20 |
|---|------------------|------------------|
| Employer's contribution to Provident Fund | 1,144,960 | 1,157,423 |
| Employer's contribution to Employee's State Insurance | 322,766 | 511,437 |
| Total | 1,467,726 | 1,668,860 |

Defined Benefit Plan - gratuity

The Company operates defined benefit plan for gratuity whose cost is determined using the projected unit credit method of actuarial valuation made at the end of the year.

Every employee who has completed 5 years or more of service is eligible for a gratuity on departure at 15 days salary (last drawn salary) per each completed year of service

The following tables summaries the component of the net employee benefit expenses recognised in the profit and loss account, and the fund status and amount recognised in the balance sheet for the gratuity benefit plan.

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39.1 Statement of Profit and Loss / Other Comprehensive Income

Net Employee Benefit Expenses (recognized in employee cost)

| Particulars | 2020-21 | 2019-20 |
|---|------------------|----------------|
| Current Service Cost | 417,622 | 400,810 |
| Interest on defined benefit obligation | 539,460 | 520,494 |
| Expected return on plan assets | 375,017 | (335,506) |
| Net actuarial losses/(gains) recognized in the year | 2,596,411 | (258,398) |
| Total included in employee benefit expense | 3,928,510 | 327,400 |

39.2 Balance Sheet

Details of Provision for Gratuity as per Actuary Report

| Particulars | 2020-21 | 2019-20 |
|--|-------------------|------------------|
| Liability at the end of the Year | 10,378,856 | 7,440,825 |
| Fair Value of plan assets at the end of the year | 5,626,031 | 5,315,041 |
| Difference | 4,752,825 | 2,125,784 |
| Unrecognised past service cost | - | - |
| Unrecognised transition liability | - | - |
| Amount in Balance Sheet | 4,752,825 | 2,125,784 |

39.3 Changes in the present value of the defined obligation are as follows :

Details of Provision for Gratuity as per Actuary Report

| Particulars | 2020-21 | 2019-20 |
|---|-------------------|------------------|
| Liability at the beginning of the Year | 7,440,825 | 6,939,919 |
| Interest Cost | 539,460 | 520,494 |
| Current Service Cost | 417,622 | 400,810 |
| Past Service Cost (non vested benefit) | - | - |
| Past Service Cost (vested benefit) | - | - |
| Benefits paid | 615,462 | 162,000 |
| Actuarial (Gain)/Loss | 2,596,411 | (258,398) |
| Liability at the end of the Year | 10,378,856 | 7,440,825 |

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39.4 Table Showing Fair Value of Plan Assets

| Particulars | 2020-21 | 2019-20 |
|--|-----------|-----------|
| Fair Value of Plan Assets at the beginning of the Year | 5,315,040 | 4,726,665 |
| Actual Return on Plan Assets | 375,017 | 335,506 |
| Contributions | 551,435 | 414,869 |
| Benefits paid | 615,462 | 162,000 |
| Fair Value of Plan Assets at the end of the Year | 5,626,031 | 5,315,040 |
| Funded Status | 4,752,825 | 2,125,784 |

| 39.5 Actuarial (Gain)/Loss Recognised | 2020-21 | 2019-20 |
|---|-----------|---------|
| Actuarial (Gain)/Loss on obligations | 2,596,411 | 258,398 |
| Actuarial (Gain)/Loss for the year on plan assets | - | - |
| Net Actuarial (Gain)/Loss | 2,596,411 | 258,398 |

39.6 The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

| Particulars | 2020-21 |
|---|---------|
| Investments with insurer | 100% |
| Principal actuarial assumptions as at the balance sheet date: | |
| Particulars | 2020-21 |
| Discount Rate | 7% |
| Salary Escalation | 6% |
| Employee Attrition Rate | 2% |

39.7 The Company has also made provision for Liability related to their employees who are not covered under the above scheme. The balance of this Non-Funded Liability as on 31.03.2021 is Rs.9,05,865/- (Previous year Rs.9,05,865/-).

40 The Company's significant leasing arrangements are in respect of operating lease for premises (Residential for Directors & Employees, Guest House, Offices etc). The leasing arrangements, which are not non-cancelable, range between 11 months and 3 years generally or longer and are usually renewable by mutual consent between the parties. The amount of lease rent paid is debited to Rent Account.

VASUNDHARA RASAYANS LIMITED

40. SEGMENT REPORTING (IND AS 108) :

Reporting Segment (Geographical Segment) :

(Figures in Lakhs)

| | Export | Domestic | Total |
|---|--------|----------|-----------------|
| Sales | 498.84 | 1,769.11 | 2,267.95 |
| Less: Direct Expenses (Freight) | 41.87 | 7.78 | 49.65 |
| Less: Allocated Mfg. Exp (RM + Mfg. Exp.) | 249.53 | 884.93 | 1,134.45 |
| Add: Increase in Stock | - | (35.25) | (35.25) |
| Segment Result | | | 1,048.61 |
| Less : Unallocated Overheads (Employee Cost + Admn.Exp + Interest + Depreciation + Freight) | | | 751.85 |
| Add: Other Income | | | 99.44 |
| Less: Exceptional Item | | | - |
| NET PROFIT BEFORE TAX | | | 396.19 |
| Less: Provision for Income Tax | | | 102.24 |
| Less: Income tax Adjustment | | | - |
| Less: Deferred Tax Liabilities | | | 0.38 |
| PROFIT FOR THE PERIOD | | | 293.57 |

42. Consumption of Raw Material

| | | 2020-21 | | 2019-20 |
|-------------------|-----|-----------------|-----|---------------|
| Raw Material type | % | (Rs in lacs) | % | (Rs in lacs) |
| Imported | 6% | 61.23 | 8% | 73.05 |
| Indigeneous | 94% | 976.05 | 92% | 852.55 |
| | | 1,037.27 | | 925.60 |

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43. Earnings in Foreign Exchange during the year.

| | 2020-21 | 2019-20 |
|-------------|-------------------|-------------------|
| | Rs | Rs |
| Export Sale | 49,884,429 | 58,564,992 |
| | 49,884,429 | 58,564,992 |

- 44** The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006. Hence, disclosures if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been made.
- 45** Previous Year's figures have been regrouped/ reclassified wherever necessary to correspond with current year's classification / disclosure.
- 46** The figures have been rounded off to nearest rupee.

Signature of Schedule 1 to 46

FOR MAMTA JAIN & ASSOCIATES

Chartered Accountants

Firm Reg.No. 328746E

Mamta Jain

(Partner)

Membership No. : 304549

UDIN : 21304549AAAAABR3703

12, Waterloo Street, Kolkata-700069

Dated this 30th day of June 2021

For and on Behalf of Board

1. Rajesh Pokerna

(Managing Director)

DIN No. 00117365

3. Prakash Chand Jain

(Wholetime Director)

DIN No. 00117348

2. Sunil Kumar Jain

(Wholetime Director)

DIN No. 00117331

4. Santosh Kumar Jha

(Company Secretary)