



CIN No. L24232PB1983PLC005426

GST No. 03AAACK6458M1ZB

D.L. No. 1800-OSP, 1804-B

I.E. Code No. 1293001210

KWALITY PHARMACEUTICALS LIMITED

Regd. Office: Village Nag Kalan, Majitha Road, Amritsar - 143 601 (INDIA)

Phone : 91-8558820862 (Accounts)

: 91-8558820863 (Admin.)

: 91-9915743720 (Exports)

M.D. Mobile : 91-9814071215, 9814052314

E-mail : export@kwalitiypharma.com

ramesh@kwalitiypharma.com

Date: May 27, 2023

To,
The Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400001.

Sub:- Outcome of Board Meeting
Scrip Code: 539997

Dear Sir/Madam,

Further to our letter dated March 30, 2023 and in compliance with Regulation 30 and 33 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that at the Board Meeting held today i.e. on Saturday, May 27, 2023, the Board of Directors of the Company have inter alia:-

1. Considered and approved the Audited Standalone and Consolidated Financial Results for the Quarter and Financial Year Ended 31st March, 2023. The said Audited Financial Results were reviewed by the Audit Committee and thereafter approved by the Board of Directors.

Pursuant to Regulation 33 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulation), we are enclosing herewith:

- Audited Standalone Financial Results for the Quarter and Financial Year Ended 31st March, 2023.
- Audited Consolidated Financial Results for the Quarter and Year Ended 31st March, 2023.
- Declaration pursuant to Regulation 33(3) (d) of the SEBI (LODR) Regulations, 2015, regarding unmodified opinion of the Statutory Auditors on the Annual Financial Results for the Financial Year ended on 31st March, 2023.
- Auditors reports on the Audited Financial Results on Standalone and Consolidated basis.

The Board Meeting of the Company commenced at 5.00 P.M. and concluded at 7:35 P.M.

This is for your information and record.

Yours Faithfully,

For KWALITY PHARMACEUTICALS LIMITED


RAMESH ARORA
Managing Director
DIN: 00462656





KWALITY PHARMACEUTICALS LIMITED

Regd. Office.:- VILLAGE NAGKALAN, MAJITHA ROAD, AMRITSAR – 143601

CIN.:- L24232PB1983PLC005426; Phone no. :- 8558820863

Email Id:-ramesh@kwalitiypharma.com; Website :- www.kwalitiypharma.com

Management Discussion & Analysis

Kwaliti consolidated revenues from operations for the fourth quarter of FY23 increased by 23.21% QoQ to Rs 69 cr from Rs 56 cr in the previous quarter. This increase was mainly due to higher exports sales of complex injectables to new geographies.

However, the company posted a loss due to exceptional items of Rs 16.53 cr, which is related to the a) provision for inventory write-off of Rs 7.05 cr linked to raw material for covid related products as sales of these products have reduced to negligible level in the current financial year. b) Rs 9.48 cr related to write off of accumulated non-refundable GST

FY23 has been a transformational year for Kwaliti Pharmaceuticals Ltd. During the year, the company made an investment in the setting up of two new facilities, upgradation of existing facilities and Quality Control Labs. These investments helped the company secure key regulatory approvals for its facilities. Kwaliti cleared ANVISA for three units namely Cephalosporin and Oncology unit in Himachal and General injectable unit in Amritsar, Punjab. Additionally, Himachal units also received EU GMP approval in April 2023.

So far, company has filed 56 Dossier across the 18 countries worldwide. Kwaliti has entered into partnership with some global companies for supplying its products to different geographies including Europe & Brazil. Going ahead, the company is looking forward to expanding its wings to support customers in the regulated markets.



KWALITY PHARMACEUTICALS LIMITED

Regd.Office:- VILLAGE NAGKALAN, MAJITHA ROAD, AMRITSAR – 143601

CIN No. :- L24232PB1983PLC005426; Phone no. :- 8558820862

Email Id:- ramesh@kwalitypharma.com; Website :- www.kwalitypharma.com

Standalone Balance Sheet as at 31 March, 2023

(₹ in lakhs)

Particulars		As at 31 March, 2023 (Audited)	As at 31 March, 2022 (Audited)
B	ASSETS		
1	Non-current assets		
	(a) Property Plant and Equipments	11957.42	9077.17
	(b) Intangible assets		.00
	(b) Capital work-in-progress	1429.19	1214.85
	(c) Deferred tax Assets		.00
		13386.61	10292.02
	(d) Financial Assets:		
	(i) Investments	354.78	354.78
	(e) Other non-current assets	1164.35	889.02
2	Current assets	14905.73	11535.81
	(a) Inventories	8631.47	5336.02
	(b) Financial Assets:		
	(i) Trade receivables	7328.85	7070.57
	(ii) Cash and Bank Balances	179.90	705.81
	(iii) Bank Balances other than (ii) above	429.38	381.64
	(iv) other financial current assets	689.62	880.11
	(c) Short term loans and advances	1034.52	2520.11
	(d) Other current assets	2458.57	5837.51
		20752.32	22731.77
	TOTAL	35658.05	34267.58
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1037.62	1037.62
	(b) Other Equity	19164.90	17218.03
	(c) Money received against share warrants	.00	.00
		20202.52	18255.65
2	Share application money pending allotment		
3	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Long-term borrowings	2730.28	2028.83

	(b) Deferred tax liabilities (net)	41.12	27.46
	(c) Long-term provisions	90.29	75.33
		2861.69	2131.62
4	Current liabilities		
	(a) Financial Liabilities		
	(a) Short-term borrowings	6296.10	3372.30
	(b) Trade payables		
	-Total outstanding dues of micro	1835.82	1576.24
	-Total outstanding dues of other than	1683.42	1875.24
	(c) Other Financial current liabilities	277.32	253.62
	(c) Short Term Loans and Advances	1852.81	2702.91
	(d) Current Tax provisions	648.36	4100.00
		12593.84	13880.31
	TOTAL	35658.05	34267.58

Date: 27-05-2023

Place: Amritsar

For Kwaliti Pharmaceuticals Limited

Ramesh Arora
Ramesh Arora
Managing Director
DIN:00462656



STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st March 2023

(₹ in lakhs) except EPS						
Sr. No.	Particulars	Quarter Ended 31.03.2023 (Audited)	Quarter ended 31.12.2022 (Unaudited)	Quarter Ended 31.03.2022 (Audited)	Year Ended 31.03.2023 (Audited)	Year Ended 31.03.2022 (Audited)
I.	Revenue from operations (Net)	6880.36	5600.97	6404.04	25099.47	45613.16
II.	Other income	146.03	35.18	160.19	294.12	351.19
III.	Total Revenue (I+II)	7026.39	5636.15	6564.23	25393.60	45964.35
IV.	Expenses					
	(a) Cost of materials consumed	3057.64	2388.92	2806.62	11322.40	19930.85
	(b) Purchases of stock-in-trade	1.59	.00	50.33	4.25	380.38
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	408.09	-330.18	371.52	-319.94	-250.87
	(d) Employee benefits expense	787.19	803.16	584.31	2989.75	2008.68
	(e) Finance Cost	166.82	194.97	102.58	602.04	291.73
	(f) Depreciation and amortisation expense	441.64	354.42	274.80	1491.88	1064.41
	(g) Other expenses	1473.98	1221.80	968.60	5074.14	6371.69
	Total expenses (IV)	6336.95	4633.09	5158.76	21164.53	29796.86
V.	Items and Tax (III-IV)	689.44	1003.06	1405.47	4229.07	16167.49
VI.	Exceptional items	1652.94	.00	.00	1652.94	.00
VII.	Profit / (Loss) before Tax (V-VI)	-963.50	1003.06	1405.47	2576.13	16167.49
VIII.	Tax expense:					
	(1) Current tax	-242.49	252.47	350.00	648.36	4100.00
	(2) Deferred tax	16.67	27.88	4.94	13.66	27.46
	(3) Income tax relating to earlier years	-2.10	.00	.00	-32.77	35.37
	(4) MAT Credit (Entitlement)/Utilised	.00	.00	.00	.00	.00
IX.	Profit/(Loss) after Tax (VII-VIII)	-735.58	722.71	1050.53	1946.88	12004.66
X.	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit or loss	-6.66	-4.71	-11.20	-32.57	-35.32
	(ii) Items that will be reclassified to profit or loss of tax)	-6.66	-4.71	-11.20	-32.57	-35.32
XI.	Total Other Comprehensive Income for the period	-742.25	718.00	1039.33	1914.31	11969.34
XII.	Paid up Equity Share Capital (Face value Rs.10)	1037.62	1037.62	1037.62	1037.62	1037.62
XIII.	Other Equity(excluding revaluation reserve)				19084.90	17138.03
XIV.	Earnings per equity share (Non annualised) (In ₹)					
	(1) Basic	-7.15	6.92	10.02	18.45	115.36
	(2) Diluted	-7.15	6.92	10.02	18.45	115.36

Date:- 27-05-2023
Place:- Amritsar

FOR KWALITY PHARMACEUTICALS LIMITED

RAMESH ARORA
Managing Director
DIN: 00462656



KWALITY PHARMACEUTICALS LIMITED					
Standalone Cash Flow Statement for the Year ended 31st March 2023					
(₹ in lakhs)					
		Year ended 31st March 2023		Year ended 31st March 2022	
		(Audited)		(Audited)	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit Before Tax		2576.13		16167.49
	Adjustments for:				
	Depreciation	1491.88		1064.41	
	(Profit)/loss on sale of Assets	-5.42		.00	
	Long-term Provision for Gratuity	14.96		7.52	
	Interest & Finance Charges	602.04		291.73	
	Interest on FDR	-12.30		-12.28	
			2091.15		1351.38
	Operating Profit before Working Capital Changes		4667.28		17518.87
	Adjustments for:				
	Decrease/(Increase) in Short Term Loans & advances	1485.58		-5120.77	
	Decrease/(Increase) in Inventories	-3295.44		-3599.57	
	Decrease/(Increase) in Current financial Assets	-115.54		-3230.89	
	Increase/(Decrease) in Other Current Liabilities	-850.11		.00	
	Decrease/(Increase) in Other Current Assets	3378.94		.00	
	Increase/(Decrease) in current financial Liabilities	3015.27		972.17	
	Increase/(Decrease) in Short Term Provisions	-3451.64		3520.00	
			167.08		-7459.07
	Cash generated from operations		4834.36		10059.80
	Less: Income Tax		615.59		4135.37
	Net Cash flow from Operating activities (A)		4218.77		5924.43
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Payment for Property, Plant and Equipment	-4767.32		-5515.23	
	Sale of Property, Plant and Equipment	186.28		.00	
	Increase in Investment	.00		-4.83	
	Interest on FDR	12.30		12.28	
	Increase in Other Non Current Assets	-275.33		-789.80	
	Net Cash used in Investing activities (B)		-4844.08		-6297.59
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds/Repayment of Borrowings(net)	701.44		857.40	
	Interest paid	-602.04		-291.73	
	Net Cash from financing activities (C)		99.41		565.67
	Net increase in cash & Cash Equivalents (A+B+C)		-525.90		192.51
	Opening Cash and Cash equivalents		705.81		513.30
	Closing Cash and Cash equivalents		179.90		705.81
	Cash & Cash Equivalents		As on		As on
			31.03.2023		31.03.2022
	Cash in Hand		34.83		64.04
	Cash at Bank		145.08		641.77
	Cash & Cash equivalents as stated in Financial Statements		179.90		705.81

Date:- 27-05-2023

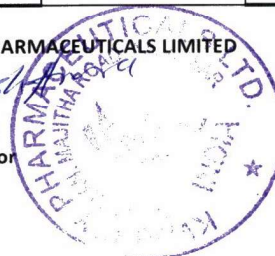
Place:- Amritsar

FOR KWALITY PHARMACEUTICALS LIMITED

RAMESH ARORA

Managing Director

DIN: 00462656



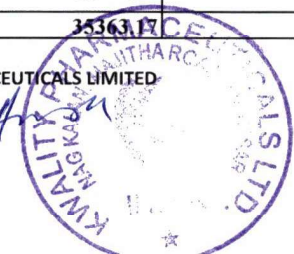
Consolidated Statement of Assets and Liabilities as at 31 March, 2023

		(₹ in Lakhs)	
Particulars		As at 31 March 2023 (Audited)	As at 31 March, 2022 (Audited)
A	ASSETS		
1	Non-current assets		
	(a) Property Plant and Equipment	12049.67	9173.38
	(b) Capital work-in-progress	1429.19	1214.85
	(c) Deferred tax Assets	.00	.00
		13478.86	10388.23
	(d) Financial Assets:		
	(i) Investments	.00	.00
	(e) Other non-current assets	1164.35	889.02
		14643.21	11277.25
2	Current assets		
	(a) Inventories	8631.47	5336.02
	(b) Financial Assets:		
	(i) Trade receivables	7169.43	6913.05
	(ii) Cash and Bank Balances	306.96	913.46
	(iii) Bank Balances other than (ii) above	429.38	381.64
	(iv) other financial current assets	689.62	880.11
	(c) Short term loans and advances	1034.52	2520.11
	(d) Other current assets	2458.57	5837.51
		20719.95	22781.90
	TOTAL	35363.17	34059.15
B	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1037.62	1037.62
	(b) Other Equity	19014.03	17076.79
	(c) Non Controlling Interests	-144.74	-135.49
		19906.91	17978.92
2	Share application money pending allotment	.00	.00
3	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Long-term borrowings	2730.28	2028.83
	(b) Deferred tax liabilities (net)	41.12	27.46
	(c) Long-term provisions	90.29	75.33
		2861.69	2131.62
4	Current liabilities		
	(a) Financial Liabilities		
	(i) Short-term borrowings	6296.10	3372.30
	(ii) Trade payables		
	-Total outstanding dues of micro enterprises and small enterprises	1835.82	1576.24
	-Total outstanding dues of other than micro enterprises and small enterprises	1683.42	1875.24
	(iii) Other Financial current liabilities	278.05	253.71
	(b) Short Term Loans and Advances	1852.81	2771.12
	(c) Current Tax provisions	648.36	4100.00
		12594.57	13948.61
	TOTAL	35363.17	34059.15

FOR KWALITY PHARMACEUTICALS LIMITED

RAMESH ARORA
Managing Director
DIN: 00462656

Date:- 27-05-2023
Place:- Amritsar



CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st March 2023


(₹ in lakhs) except EPS

Sr. No.	Particulars	Quarter Ended 31.03.2023 (Audited)	Quarter ended 31.12.2022 (Unaudited)	Quarter Ended 31.03.2022 (Audited)	Year Ended 31.03.2023 (Audited)	Year Ended 31.03.2022 (Audited)
I.	Revenue from operations (Net)	6880.36	5620.25	6404.71	25103.00	45618.52
II.	Other income	146.03	35.18	160.19	294.12	351.19
III.	Total Revenue (I+II)	7026.39	5655.43	6564.90	25397.13	45969.71
IV.	Expenses					
	(a) Cost of materials consumed	3057.64	2388.92	2806.62	11322.40	19930.85
	(b) Purchases of stock-in-trade	1.59	.00	50.33	4.25	380.38
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	408.09	-314.42	371.52	-319.94	-250.87
	(d) Employee benefits expense	788.39	804.81	584.45	2995.93	2015.12
	(e) Finance Cost	166.82	194.97	102.58	602.04	291.73
	(f) Depreciation and amortisation expense	442.63	355.41	275.76	1495.84	1069.07
	(g) Other expenses	1476.26	1231.07	969.57	5086.42	6376.74
	Total expenses (IV)	6341.41	4660.76	5160.83	21186.95	29813.03
V.	Profit before share of profit of equity accounted investees, exceptional items and tax (III-IV)	684.97	994.67	1404.06	4210.18	16156.68
VI.	Share of profit/(loss) of equity accounted investees (net of income)	.00	.00	.00	.00	.00
VII.	Profit before exceptional items and tax (VI+VII)	684.97	994.67	1404.06	4210.18	16156.68
VIII.	Exceptional items	1652.94	.00	.00	1652.94	.00
IX.	Profit / (Loss) before Tax (VII-VIII)	-967.97	994.67	1404.06	2557.24	16156.68
X.	Tax expense:					
	(1) Current tax	-242.49	252.47	350.00	648.36	4100.00
	(2) Deferred tax	16.67	27.88	4.94	13.66	27.46
	(3) Income tax relating to earlier years	-2.10	.00	.00	-32.77	35.37
	(4) MAT Credit (Entitlement)/Utilised	.00	.00	.00	.00	.00
XI.	Profit/(Loss) after Tax (VII-VIII)	-740.05	714.32	1049.12	1927.99	11993.85
XII.	Other Comprehensive Income					
	(i) Items that will not be reclassified subsequently to profit or loss					
	a) Remeasurement of defined benefit plans(net Tax)	-6.66	-4.71	-11.20	-32.57	-35.32
	(ii) Items that will be reclassified subsequently to profit or loss	.00	.00	.00	.00	.00
	Exchange differences in translating financial statements of foreign operations	-3.14	-2.00	-3.09	-11.36	-13.92
	Total Other Comprehensive Income(net of tax)	-9.81	-6.71	-14.29	-43.93	-49.24

	Total comprehensive income for the period(XI+XII)	-749.86	707.61	1034.83	1884.06	11944.62
XIII.	Profit/(loss) attributable to:					
	a) Owners of the Company	-737.86	709.98	1049.81	1937.24	11999.15
	b) Non-controlling interests	-2.19	-4.38	-69	-9.26	-5.29
	Other comprehensive income attributable to:					
XIV.	a) Owners of the Company	-9.81	-6.71	-14.29	-43.93	-49.24
	b) Non-controlling interests					
	Total other comprehensive income attributable to:					
XV.	a) Owners of the Company	-747.67	703.27	1035.52	1893.32	11949.91
	b) Non-controlling interests	-2.19	-4.38	-69	-9.26	-5.29
XVI.	Paid up Equity Share Capital (Face value Rs.10 each)	1037.62	1037.62	1037.62	1037.62	1037.62
XVII.	Reserves i.e. Other equity				18934.03	16996.79
XVIII	Earnings per equity share (Non					
	(1) Basic	-7.23	6.82	9.97	18.16	115.12
	(2) Diluted	-7.23	6.82	9.97	18.16	115.12

Date: 27-05-2023
Place: Amritsar

For Kwaliti Pharmaceuticals Limited

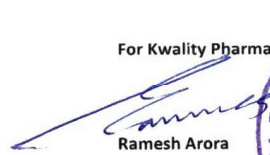

Ramesh Arora
Managing Director
DIN:00462656



KWALITY PHARMACEUTICALS LIMITED				
Consolidated Cash Flow Statement for the year ended 31st March 2023				
(₹ in lakhs)				
	Year ended 31st March 2023		Year ended 31st March 2022	
A	CASH FLOW FROM OPERATING ACTIVITIES		(Audited)	
Net Profit Before Tax		2557.24		16156.68
Adjustments for:				
Depreciation	1495.84		1069.07	
(Profit)/loss on sale of Assets	-5.42		.00	
Long-term Provision for Gratuity	14.96		7.52	
Interest & Finance Charges	602.04		291.73	
Interest on FDR	-12.30		-12.28	
		2095.11		1356.04
Operating Profit before Working Capital Changes		4652.35		17512.72
Adjustments for:				
Decrease/(Increase) in Short Term Loans & advances	1485.58		-4979.96	
Decrease/(Increase) in Inventories	-3295.44		-3599.57	
Decrease/(Increase) in Current Financial Assets	-113.64		-3284.69	
Decrease/(Increase) in Other Current Assets	3378.94		.00	
Increase/(Decrease) in current Financial Liabilities	3015.91		1026.56	
Increase/(Decrease) in Other Current Liabilities	-918.31		.00	
Increase/(Decrease) in Short Term Provisions	-3451.64		3520.00	
		101.41		-7317.66
Cash generated from operations		4753.76		10195.06
Less: Income Tax		615.59		4135.37
Net Cash flow from Operating activities (A)		4138.17		6059.69
B	CASH FLOW FROM INVESTING ACTIVITIES			
Payment for Property, Plant and Equipment	-4767.32		-5515.24	
Sale of Property, Plant and Equipment	186.28		.00	
Interest on FDR	12.30		12.28	
Increase in Other Non Current Assets	-275.33		-789.79	
Net Cash used in Investing activities (B)		-4844.08		-6292.76
C	CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds/Repayment of Borrowings(net)	701.44		857.40	
Dividend Distribution Tax	.00		.00	
Net Cash from financing activities (C)		99.41		565.67
Net increase in cash & Cash Equivalents (A+B+C)		-606.50		332.61
Opening Cash and Cash equivalents		913.46		580.85
Closing Cash and Cash equivalents		306.96		913.46
Cash & Cash Equivalents		As on		As on
		31.03.2023		31.03.2022
Cash in Hand		37.19		64.04
Cash at Bank		269.77		849.42
Cash & Cash equivalents as stated in Financial Statements		306.96		913.46

Date: 27-05-2023
Place: Amritsar

For Kwality Pharmaceuticals Limited


Ramesh Arora
Managing Director
DIN: 00462656



Notes:

1) The Exceptional items includes write off of Inventory amounting to Rs 705.12 Lacs and write off of Input Tax credit of Goods and services Tax Rs 947.82 Lacs.

The Inventory is written off as raw material pertaining to Covid related drugs and formulations which were assessed as unusable due to obsolescence by the company and recommended to be disposed and written off. Though the assessment of inventory obsolescence, excess and unmarketability is an ordinary business activity but as the value of inventory written off is of such size and amount it is separately disclosed under the head exceptional items under the profit and loss account.

The company is carrying forward GST Input Tax Credit under the current assets as utilizable asset for payment of output GST Liabilities. The accumulated balance under input tax credit is rising every year even after utilization and refunds. So the company has assessed the prospects for utilization of availed Input Tax Credit based on its utilization requirement and also based on compliance record of purchase vendors under the Goods and Services Tax Act and has decided to write off the ITC to the extent of 947.82 Lacs.

2) The above financial results are prepared in accordance with the Indian Accounting Standards ("Ind AS"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under section 133 of the Act read with Rules, 2015 and relevant amendment thereafter.

3) These results have been reviewed and recommended for adoption by the Audit Committee and approved by the Board of Directors at their respective meeting held on May 27, 2023.

4) The consolidated accounts have been prepared as per Accounting Standard (AS) 21 on consolidated financial statements.

5) List of Subsidiary as on 31st March, 2023 is as under:

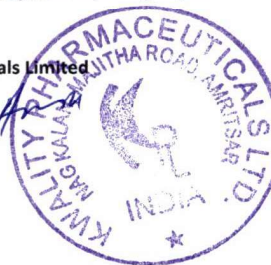
Name of Entity	Relationship	Country of Incorporation	% of ownership
Kwality Pharmaceuticals Africa, Limitada	Subsidiary	Africa	51%

6) Figures of Previous Year/Period have been regrouped /recast wherever necessary, in order to make them comparable.

7) The company is primarily engaged in the business of Pharmaceuticals which is single reportable segment for the quarter and year ended 31st March, 2023 in accordance with Ind AS 108 - "Operating Segment" and hence no separate segment reporting is given.

For Kwality Pharmaceuticals Limited


(RAMESH ARORA)
MANAGING DIRECTOR
DIN: 00462656



Place: Amritsar
Date: 27-05-2023



CIN No. L24232PB1983PLCC005426

GST No. 03AAACK6458M1ZB

D.L. No. 1800-OSP, 1804-B

I.E. Code No. 1293001210

KWALITY PHARMACEUTICALS LIMITED

Regd. Office: Village Nag Kalan, Majitha Road, Amritsar - 143 601 (INDIA)

Phone : 91-8558820862 (Accounts)
: 91-8558820863 (Admin.)
: 91-9915743720 (Exports)
M.D. Mobile : 91-9814071215, 9814052314
E-mail : export@kwalitlypharma.com
ramesh@kwalitlypharma.com

Date: May 27, 2023

To,
The Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400001.

Sub:- Declaration Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Scrip Code: 539997

Dear Sir/Madam,

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We hereby declare that the Statutory Auditors of the Company have issued Audit Report with unmodified opinion in respect of Annual Audited Standalone and Consolidated Financial Results for the Financial Year ended on 31st March, 2023.

Kindly take the same on your record.

Yours Faithfully,

For KWALITY PHARMACEUTICALS LIMITED

RAMESH ARORA
Managing Director
DIN : 00462656



**GAURAV AGGARWAL**Chartered Accountant
B.Com, FCA, DISA(ICAI)

1, Second Floor, J.K. Towers, Mall Road, Amritsar.

Tel.: 0183 5030348 Mobile : +91 98143 10561

E-mail: gauravca77@yahoo.com

Website : www.aroraaggarwal.com

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations')

To**THE BOARD OF DIRECTORS OF
KWALITY PHARMACEUTICALS LIMITED.****Report on the audit of the Standalone Financial Results****Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of **KWALITY PHARMACEUTICALS LIMITED** (the company) **for the quarter ended March 31, 2023 and for the year ended March 31, 2023** attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these aforesaid standalone financial results:-

- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the Indian Accounting Standard and other accounting principles generally accepted in India of the net profit after tax and other comprehensive income and other financial information for the quarter and year ended **31st March 2023**.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results 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.


27/5/2023



Management's Responsibilities for the Standalone Financial Results

These quarterly and yearly standalone financial results have been prepared on the basis of the interim and annual financial statements, respectively. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit /loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.


27/5/2023



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal controls.

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

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

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

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

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

Other Matters

The Statement includes the results for the fourth quarter ended **March 31, 2023** being the balancing figures between the audited figures in respect of the full financial year ended **March 31, 2023** and the published unaudited year to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations. Our opinion is not modified in respect of this matter.

For ARORA AGGARWAL & CO.

Chartered Accountants

(Firm's Registration No. 021086N)


Gaurav Aggarwal

Partner

Membership No. 098347

UDIN :- 23098347BGTUUZ1790



Place:-Amritsar

Date:-27-05-2023

**GAURAV AGGARWAL**Chartered Accountant
B.Com, FCA, DISA(ICAI)

1, Second Floor, J.K. Towers, Mall Road, Amritsar.

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E-mail: gauravca77@yahoo.com

Website : www.aroraaggarwal.com

Independent Auditor's Report on the quarterly and year to date Audited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To

**THE BOARD OF DIRECTORS OF
KWALITY PHARMACEUTICALS LIMITED.**

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of **KWALITY PHARMACEUTICALS LIMITED** ("Holding company") and its subsidiaries (holding company and its subsidiaries together referred to as "the Group"), for the quarter ended **March 31, 2023** and for the year ended **March 31, 2023** ("the Statement"), being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the unaudited financial statements furnished by Board of Directors on separate financial statements/ financial information of subsidiaries, the Statement:

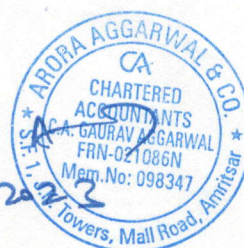
a. includes the results of the following subsidiary:

Kwality Pharmaceuticals Africa, Limitada.

b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and

c. gives a true and fair view, in conformity with Indian Accounting Standards and other applicable other accounting principles generally accepted in India, of consolidated net profit and other financial information of the Group for the quarter ended **March 31, 2023** and for the year ended **March 31, 2023**.

[Signature]
27/5/2023



Basis for Opinion

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

Management's Responsibilities for the Consolidated Financial Results

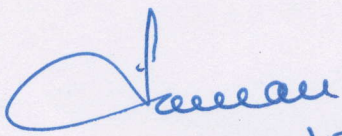
These quarterly and yearly consolidated financial results have been prepared on the basis of the interim and annual consolidated financial statements.

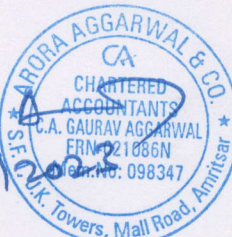
The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the each entity in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process.


27/5/2025



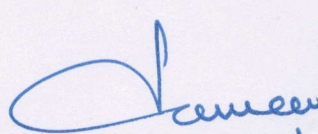
Auditor's Responsibilities for the Audit of the Consolidated Financial Results


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

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

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated Financial Results.

We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.


27/5/2022



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

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

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

The consolidated Financial Results include the unaudited Financial Results of one subsidiary, whose Financial Results reflect total assets of **Rs. 219.31 Lacs** as at 31st March 2023, total revenue of **Rs. 19.29 Lacs** for the year ended 31st March 2023 but no revenue has been generated during the quarter ended 31st March 2023 and total net Loss of **Rs. 4.47 Lacs** and **Rs. 18.89 Lacs**, total comprehensive loss of **Rs. 3.14 lacs** and **Rs. 11.36 lacs**, for the quarter ended 31st March 2023 and for the year ended 31st March 2023 respectively, and total net cash outflow of **Rs. 80.60 lacs** as considered in the consolidated Financial Results. The unaudited Financial Results of the stated entity have been furnished to us by the Board of Directors and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on such unaudited Financial Results. In our Opinion and according to the information and explanations given to us by the Board of Directors, this financial statement is not material to the group.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the unaudited Financial Results on Financial Results/financial information furnished and certified by the Board of Directors.

The consolidated annual financial results include the results for the quarter ended 31st March 2023 being the balancing figures between the audited figures in respect of the full financial year and the unaudited year to date figures up to the third quarter of the relevant financial year which were subject to limited review by us.

For ARORA AGGARWAL & CO.
Chartered Accountants
(Firm's Registration No. 021086N)


(Gaurav Aggarwal)
(Partner)
(Membership No. 098347) -
UDIN :- 23098347BGTUUY4059
Place:-Amritsar
Date:-27-05-2023

