



CIN No. L24232PB1983PLC005426

GST No. 03AAACK6458M1ZB

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

I.E. Code No. 1293001210

KWALITY PHARMACEUTICALS LTD.
Regd. Office: 6th Mile Stone, 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@kwalitypharma.com
ramesh@kwalitypharma.com

Date: June 30, 2021

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

Sub:- Outcome of Board Meeting
Scrip Code: 539997

Dear Sir/Madam,

Further to our letter dated June 22, 2021 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 Wednesday, June 30, 2021, the Board of Directors of the Company have inter alia:-

1. Considered and approved the Audited Standalone and Consolidated Financial Results for the Half Year/ Year Ended 31st March, 2021. 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 Half Year and Year Ended 31st March, 2021.
- Audited Consolidated Financial Results for the Half Year and Year Ended 31st March, 2021.
- 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, 2021.
- 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 7.00 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 No. :- L24232PB1983PLC005426; Phone no. :- 8558820862

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

STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS ON 31st MARCH,2021

Particulars		Rupees in Lakhs	
A	EQUITY AND LIABILITIES	As at 31 March,2021 (Audited)	As at 31 March,2020 (Audited)
1	Shareholders' funds		
	(a) Share capital	1,037.62	1,037.62
	(b) Reserves and surplus	5,213.37	3,671.87
	Sub-Total-Shareholders' Fund	6,250.99	4,709.49
3	Non-current liabilities		
	(a) Long-term borrowings	1,826.39	1017.65
	(b) Deferred tax liabilities (net)	-	0
	(c) Other long-term liabilities	918.04	918.04
	(d) Long-term provisions	67.81	62.17
	Sub-Total- Non-current liabilities	2,812.24	1,997.86
4	Current liabilities		
	(a) Short-term borrowings	1645.48	2,123.93
	(b) Trade payables		
	i) Total outstanding dues to micro and small enterprises	1,034.59	918.18
	ii) Total outstanding dues other than Micro and Small Enterprises	1,586.88	1,378.36
	(c) Other current liabilities	2,968.20	2,040.22
	(d) Short-term provisions	580.00	300.00
	Sub-Total- Current liabilities	7,815.15	6,760.69
	TOTAL	16,878.37	13,468.04
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets		
	(i) Tangible assets	5,841.20	4162.74
	(b) Non-current investments	428.16	420.21
	(c) Deferred Tax Assets (Net)	3.76	19.98
	(d) Long-term loans and advances	17.23	12.33
	(e) Other non-current assets	-	-
	Sub-Total- Non-current assets	6,290.35	4,615.26
2	Current assets		
	(a) Current investments	443.75	333.75
	(b) Inventories	1,736.45	2,241.68
	(c) Trade receivables	3,777.56	3,034.52
	(d) Cash and cash equivalents	513.30	114.65
	(e) Short-term loans and advances	4,116.96	3,124.72
	(f) Other current assets	-	3.46
	Sub-Total- Current assets	10588.02	8852.78
	TOTAL	16,878.37	13,468.04

FOR KWALITY PHARMACEUTICALS LIMITED

Date:- 30-06-2021

Place:- Amritsar

Ramesh Arora

RAMESH ARORA
Managing Director
DIN: 00462656



KWALITY PHARMACEUTICALS LIMITED

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

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

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STANDALONE FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 31st MARCH,2021

Particulars	Rupees in Lakhs				
	Half Year Ended 31.03.2021 (Audited)	Half Year Ended 30.09.2020 (Unaudited)	Half Year Ended 31.03.2020 (Audited)	Year ended 31.03.2021 (Audited)	Year ended 31.03.2020 (Audited)
A CONTINUING OPERATIONS					
1 Revenue from operations (Net)	14,179.87	11970.40	6,682.11	26,150.27	13,868.38
2 Other income	115.28	43.48	359.94	158.76	392.05
3 Total revenue (1+2)	14,295.15	12,013.88	7,042.05	26,309.03	14,260.43
4 Expenses					
(a) Cost of materials consumed	8,707.54	7820.13	4,405.80	16,527.67	9,191.93
(b) Purchases of stock-in-trade	22.18	0.00	67.02	22.18	67.02
(c) Changes in inventories of finished goods, work-in-	(221.18)	230.46	(436.12)	9.28	(551.68)
(d) Employee benefits expense	945.63	622.28	622.04	1,567.91	1,168.61
(e) Finance Cost	141.61	119.62	126.68	261.23	249.88
(f) Depreciation and amortisation expense	348.78	294.83	261.45	643.61	439.46
(g) Other expenses	3,171.18	1926.06	1,437.88	5,097.24	2,581.20
Total expenses	13,115.74	11,013.38	6,484.75	24,129.12	13,146.42
5 Profit/(Loss) from operations before Exceptional and Extraordinary items and Tax (3-4)	1,179.41	1,000.50	557.30	2,179.91	1,114.01
6 Exceptional items					
7 Profit / (Loss) before extraordinary items and tax (5+6)	1,179.41	1,000.50	557.30	2,179.91	1,114.01
8 Extraordinary items					
9 Profit / (Loss) before tax (7+ 8)	1,179.41	1,000.50	557.30	2,179.91	1,114.01
10 Tax expense:					
(1) Current tax	328.00	252.00	160.00	580.00	300.00
(2) Deferred tax	2.00	14.23	(26.36)	16.23	(31.96)
(3) Income tax relating to earlier years	25.27	16.91	11.19	42.18	2.82
11 Profit / (Loss) from continuing operations (9 + 10)	824.14	717.36	412.47	1,541.50	843.15
B DISCONTINUING OPERATIONS					
12 Profit / (Loss) from discontinuing operations	0.00	0.00	0.00	0.00	0.00
13 Tax expense of discontinuing operations	0.00	0.00	0.00	0.00	0.00
14 Profit / (Loss) from discontinuing operations (after tax) (12-13)	0.00	0.00	0.00	0.00	0.00
15 Profit / (Loss) for the year (11 + 14)	824.14	717.36	412.47	1,541.50	843.15
16 Paid up equity share capital(Face value Rs.10 per share)	1037.62	1037.62	1037.62	1037.62	1037.62
17 Earning Per Share(EPS)					
Basic	7.94	6.91	3.98	14.86	8.13
Diluted	7.94	6.91	3.98	14.86	8.13

FOR KWALITY PHARMACEUTICALS LIMITED

Date:- 30-06-2021

Place:- Amritsar



 RAMESH ARORA
 Managing Director
 DIN: 00462656


KWALITY PHARMACEUTICALS LIMITED

Standalone Cash Flow Statement for the year ended 31st March 2021

A	CASH FLOW FROM OPERATING ACTIVITIES	Year ended 31st March 2021		Year ended 31st March 2020	
	Net Profit Before Tax		2179.91		1114.01
	Adjustments for:				
	Depreciation	643.61		439.46	
	(Profit)/loss on sale of Assets	1.96		(10.58)	
	Long-term Provision for Gratuity	5.64		0.50	
	Amortisation of Share Capital Expenses	3.46		3.46	
	Interest & Finance Charges	261.23		249.88	
	Interest on FDR	(18.14)		(17.91)	
	Interest on Investment, deposits and advances	-		(38.05)	
	Investment In shares written off	-		-	
			897.76		626.76
	Operating Profit before Working Capital Changes		3,077.67		1,740.77
	Adjustments for:				
	Decrease/(Increase) in Receivables	(743.04)		840.01	
	Decrease/(Increase) in Short Term Loans & advances	(992.24)		(1,120.17)	
	Decrease/(Increase) in Inventories	505.23		(1,117.44)	
	Decrease/(Increase) in Other Current Assets	3.46		-	
	Decrease/(Increase) in Current Investments	(110.00)		48.66	
	Increase/(Decrease) in Other current Liabilities	927.98		(117.27)	
	Increase/(Decrease) in Short Term Provisions	280.00		(30.00)	
	Increase/(Decrease) in Payables	324.93		589.74	
			196.32		(906.47)
	Cash generated from operations		3,273.99		834.30
	Less: Income Tax		638.40		270.86
	Net Cash flow from Operating activities (A)		2,635.59		563.44
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets	(2,339.27)		(2,073.85)	
	Sale of Fixed Assets	14.40		284.58	
	Decrease in Investment	(12.85)		52.75	
	Interest on Investment	-		36.99	
	Interest on Electricity Deposit	-		1.06	
	Interest on FDR	18.14		17.91	
	Decrease in Other Non Current Assets	-		(31.96)	
	Net Cash used in Investing activities (B)		(2,319.58)		(1,712.52)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from Long term Borrowings	1,516.79		706.91	
	Proceeds from Short term Borrowings	35,794.52		25,045.50	
	Repayment of Long Term Borrowings	(509.19)		(390.53)	
	Repayment of Short Term Borrowings	(36,458.24)		(24,794.31)	
	Interest paid	(261.23)		(249.88)	
	Increase in Long term Liabilities	-		918.04	
	Share Issue Expenses	-		-	
	Net Cash from financing activities (C)		82.65		1,235.73
	Net increase in cash & Cash Equivalents (A+B+C)		398.66		86.65
	Opening Cash and Cash equivalents		114.65		28.00
	Closing Cash and Cash equivalents		513.30		114.65
	Cash & Cash Equivalents			As on	As on
				31.03.2021	31.03.2020.
	Cash in Hand			6.41	18.69
	Cash at Bank			506.89	95.95
	Cash & Cash equivalents as stated in Financial Statements			513.30	114.65

Date:- 30-06-2021
Place:- Amritsar

Ramesh Arora

RAMESH ARORA
Managing Director
DIN: 00462656



FOR KWALITY PHARMACEUTICALS LIMITED

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

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS ON 31st MARCH,2021

Rupees in Lakhs

Particulars		As at 31 March,2021 (Audited)		As at 31 March,2020 (Audited)	
A	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share capital	1,037.62		1,037.62	
	(b) Reserves and surplus	5,077.64		3,563.05	
			6,115.26		4,600.67
2	Minority Interest in Subsidiary	(130.19)		(104.35)	
			(130.19)		(104.35)
3	Non-current liabilities				
	(a) Long-term borrowings	1,826.39		1,017.65	
	(b) Deferred tax liabilities (net)	-		-	
	(c) Other long-term liabilities	918.04		918.04	
	(d) Long-term provisions	67.81		62.17	
			2,812.24		1,997.86
4	Current liabilities				
	(a) Short-term borrowings	1,645.48		2,123.93	
	(b) Trade payables-				
	i) Total outstanding dues to micro and small enterprises	1,034.59		918.18	
	ii) Total outstanding dues other than Micro and Small Enterprises	1,586.88		1,378.36	
	(c) Other current liabilities	2,982.10		2,054.78	
	(d) Short-term provisions	580.00		300.00	
			7,829.05		6,775.25
	TOTAL		16,626.36		13,269.43
B	ASSETS				
1	Non-current assets				
	(a) Fixed assets				
	(i) Tangible assets	5,942.07		4,268.63	
	(b) Non-current investments	73.39		65.44	
	(c) Deferred Tax Assets (Net)	3.76		19.98	
	(d) Long-term loans and advances	17.23		12.33	
	(e) Other non-current assets	-		-	
			6,036.44		4,366.38
2	Current assets				
	(a) Current investments	443.75		333.75	
	(b) Inventories	1,736.45		2,241.68	
	(c) Trade receivables	3,571.08		3,033.11	
	(d) Cash and cash equivalents	580.85		153.84	
	(e) Short-term loans and advances	4,257.79		3,137.21	
	(f) Other current assets	-		3.46	
			10,589.92		8,903.05
	TOTAL		16,626.36		13,269.43

FOR KWALITY PHARMACEUTICALS LIMITED

Date:-30-06-2021

Place:- Amritsar

Ramesh Arora
RAMESH ARORA
 Managing Director
 DIN: 00462656



KWALITY PHARMACEUTICALS LIMITED

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

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

CONSOLIDATED FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 31st MARCH,2021

Particulars		Half Year Ended 31.03.2021 (Audited)	Half Year Ended 30.09.2020 (Unaudited)	Half Year Ended 31.03.2020 (Audited)	Year ended 31.03.2021 (Audited)	Year ended 31-03-2020 (Audited)
A	CONTINUING OPERATIONS					
1	Revenue from operations (gross)	14,231.04	11,970.40	6,670.50	26,201.44	13,929.75
2	Other income	113.19	45.57	331.44	158.76	365.96
3	Total revenue (1+2)	14,344.23	12,015.97	7,001.94	26,360.20	14,295.71
4	Expenses					
	(a) Cost of materials consumed	8,707.54	7,820.13	4,324.27	16,527.67	9,191.93
	(b) Purchases of stock-in-trade	22.18	0.00	67.02	22.18	67.02
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(221.18)	230.46	(395.62)	9.28	(551.22)
	(d) Employee benefits expense	955.74	634.27	636.38	1590.01	1193.16
	(e) Finance Cost	147.54	119.62	108.16	267.16	249.88
	(f) Depreciation and amortisation expense	352.08	297.22	258.68	649.30	443.39
	(g) Other expenses	3,212.75	1954.69	1457.66	5167.44	2609.83
	Total expenses	13,176.64	11,056.39	6,456.55	24,233.03	13,203.99
5	Profit/(Loss) from operations before Exceptional and Extraordinary items and Tax(3-4)	1,167.58	959.58	545.39	2,127.16	1,091.72
6	Exceptional items					
7	Profit / (Loss) before extraordinary items and tax (5-6)	1,167.58	959.58	545.39	2,127.16	1,091.72
8	Extraordinary items					
9	Profit / (Loss) before tax (7-8)	1,167.58	959.58	545.39	2,127.16	1,091.72
10	Tax expense:					
	(a) Current tax	325.76	254.24	160.17	580.00	300.17
	(b) Deferred tax	2.00	14.23	(26.36)	16.23	(31.96)
	(c) Income tax relating to earlier years	25.27	16.91	11.19	42.18	2.82
11	Profit / (Loss) from continuing operations (9 +10)	814.55	674.20	400.39	1,488.75	820.69
B	DISCONTINUING OPERATIONS					
12	Profit / (Loss) from discontinuing operations	0.00	0.00	0.00	0.00	0.00
13	Tax expense from discontinuing operations	0.00	0.00	0.00	0.00	0.00
14	Profit / (Loss) from discontinuing operations (after tax)	0.00	0.00	0.00	0.00	0.00
15	Profit / (Loss) for the year (11 + 14)	814.55	674.20	400.39	1,488.75	820.69
16	Add/ (Less) Minority Interest in Subsidiary Profits	4.69	21.15	5.92	25.84	11.01
17	Profit / (Loss) for the year (15 + 16)	819.24	695.35	406.31	1,514.59	831.70
18	Paid up equity sharecapital(Face value Rs.10 per share)	1,037.62	1,037.62	1,037.62	1,037.62	1,037.62
19	Earning Per Share(EPS)					
	Basic	7.90	6.70	3.92	14.60	8.02
	Diluted	7.90	6.70	3.92	14.60	8.02

FOR KWALITY PHARMACEUTICALS LIMITED

 Date:- 30-06-2021
 Place:- Amritsar



RAMESH ARORA
 Managing Director
 DIN: 00462656


KWALITY PHARMACEUTICALS LIMITED
Consolidated Cash Flow Statement for the year ended 31st March 2021

A	CASH FLOW FROM OPERATING ACTIVITIES	Year ended 31st March 2021		Year ended 31st March 2020	
	Net Profit Before Tax		2127.16		1091.72
	Adjustments for:				
	Depreciation				
	(Profit)/loss on sale of Assets	649.30		443.39	
	Long-term Provision for Gratuity	1.96		(10.58)	
	Amortisation of Share Capital Expenses	5.64		0.50	
	Interest & Finance Charges	3.46		3.46	
	Interest on FDR	267.16		249.88	
	Interest on Investment, deposits and advances	(18.14)		(17.91)	
	Investment In shares written off	-		(4.95)	
	Minority Interest Adjustment	-		-	
	Assets Revaluation	-		5.90	
		-		38.96	
	Operating Profit before Working Capital Changes		909.38		708.65
	Adjustments for:		3,036.54		1,800.37
	Decrease/(Increase) in Receivables	(537.95)		809.66	
	Decrease/(Increase) in Short Term Loans & advances	(1,120.58)		(1,116.47)	
	Decrease/(Increase) in Inventories	505.23		(1,116.98)	
	Decrease/(Increase) in Other Current Assets	3.46		-	
	Decrease/(Increase) in Current Investments	(110.00)		69.92	
	Increase/(Decrease) in Other current Liabilities	927.32		(118.33)	
	Increase/(Decrease) in Short Term Provisions	280.00		(30.42)	
	Increase/(Decrease) in Payables	324.93		589.74	
			272.41		(912.88)
	Cash generated from operations		3,308.95		887.49
	Less: Income Tax		638.41		271.03
	Net Cash flow from Operating activities (A)		2,670.54		616.47
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets	(2,339.95)		(2,077.90)	
	Sale of Fixed Assets	14.40		284.58	
	Decrease in Investment	(12.85)		22.58	
	Interest on Investment	-		3.89	
	Interest on Electricity Deposit	-		1.06	
	Interest on FDR	18.14		17.91	
	Decrease in Other Non Current Assets	-		(31.96)	
	Net Cash used in investing activities (B)		(2,320.26)		(1,779.84)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from Long term Borrowings	1,516.79		706.91	
	Proceeds from Short term Borrowings	35,794.53		25,045.50	
	Repayment of Long Term Borrowings	(509.19)		(449.07)	
	Repayment of Short Term Borrowings	(36,458.24)		(24,794.32)	
	Interest paid	(267.16)		(249.88)	
	Increase in Long term Liabilities	-		918.04	
	Share Issue Expenses	-		-	
	Net Cash from financing activities (C)		76.73		1,177.18
	Net increase in cash & Cash Equivalents (A+B+C)		427.02		13.81
	Opening Cash and Cash equivalents		153.84		140.03
	Closing Cash and Cash equivalents		580.85		153.84
	Cash & Cash Equivalents			As on	As on
				31.03.2021	31.03.2020
	Cash in Hand			26.15	18.69
	Cash at Bank			554.70	135.15
	Cash & Cash equivalents as stated in Financial Statements			580.85	153.84

FOR KWALITY PHARMACEUTICALS LIMITED

Date:-30-06-2021
Place:- Amritsar

Ramesh Arora

RAMESH ARORA
Managing Director
DIN: 00462656



Notes:

- 1) The above Financial Results and statement of Assets and Liabilities were reviewed by the Audit Committee and then approved by the Board of Directors at their respective meetings held on 30-06-2021.
- 2) The Results for the half year ended and year ended 31st March, 2021 are audited by the statutory auditors of the company in compliance with the regulation 33 of SEBI (LODR) Regulations, 2015.
- 3) The Earning Per Share (EPS) has been computed in accordance with the Accounting Standard on Earnings Per Share (AS 20).
- 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, 2021 is as under

<u>Name of Entity</u>	<u>Relationship</u>	<u>Country of Incorporation</u>	<u>% of ownership</u>
Kwality Pharmaceuticals Africa, Limitada	Subsidiary	Africa	51%
- 6) Other Income for the year ended on 31st March, 2021 includes Export Incentives, Interest on FD and Other Misc Income.
- 7) The Status of Investor's Complaints during the half year ended on 31st March, 2021 is as under

Pending at the beginning of the above Period	NIL
Received during the above Period	NIL
Disposed during the above Period	NIL
Remaining unsolved as at the end of above Period	NIL
- 8) Figures of Previous Year/Period have been regrouped /recast wherever necessary, in order to make them comparable.
- 9.)The company is primarily engaged in the business of Pharmaceuticals which is single reportable segment for the half year/year ended 31st March, 2021 as per Accounting Standard 17 on segment reporting notified under the companies (Accounting Standards) Rules 2014 and hence no separate segment reporting is given.
- 10.) As per MCA Notification dated 16th February 2015, companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 are exempted from the compulsory requirement of adoption of IND-AS. As the company is covered under the exempted category, it has not adopted IND-AS for preparation of financial results.
- 11.)The company has elected to exercise an option permitted under section 115BAA of the Income Tax Act 1961 as introduced by Taxation Laws (Amendment) Ordinance, 2019. Accordingly the company has recognized the provision of current Income tax and re-measured its deferred tax assets/ liabilities based on the rates prescribed in the said section and the impact of tax expense of current year and re-measurement of deferred tax assets / liabilities is recognized in these financial statements.

For Kwality Pharmaceuticals Ltd



(RAMESH ARORA)
MANAGING DIRECTOR
DIN: 00462656



Place: Amritsar
Date: 30-06-2021

CIN No. L24232PB1983PLC005426

GST No. 03AAACK6458M1ZB

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

I.E. Code No. 1293001210

Phone : 91-8558820862 (Accounts)

: 91-8558820863 (Admin.)

: 91-9915743720 (Exports)

M.D. Mobile : 91-9814071215, 9814052314

E-mail : export@kwalitypharma.com
ramesh@kwalitypharma.com



KWALITY PHARMACEUTICALS LTD.

Regd. Office: 6th Mile Stone, Village Nag Kalan, Majitha Road, Amritsar - 143 601 (INDIA)

Date: June 30, 2021

To,
The Department of Corporate Services,
Bombay Stock Exchange 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, 2021.

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)

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Independent Auditor's Report

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 half yearly and year to date standalone financial results of **KWALITY PHARMACEUTICALS LIMITED** (the company) for the half year ended **March 31, 2021** and for the year ended **March 31, 2021** 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:-

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other financial information for the half year and financial year ended **31st March 2021**.

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.






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Management's Responsibilities for the Standalone Financial Results

These half yearly 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 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




**GAURAV AGGARWAL**

Chartered Accountant
B.Com, FCA, DISA(ICAI)

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 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.



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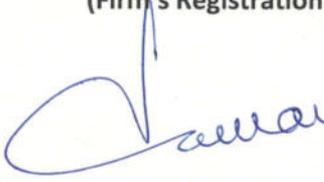
Other Matters

The standalone annual financial results include the results for the half year ended **31st March 2021** 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 first half year of the current 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 :- 21098347AAAABR5710

Place:-Amritsar

Date:-30-06-2021

**GAURAV AGGARWAL**Chartered Accountant
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INDEPENDENT AUDITOR'S REPORT

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 half year ended **March 31, 2021** and for the year ended **March 31, 2021** ("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:

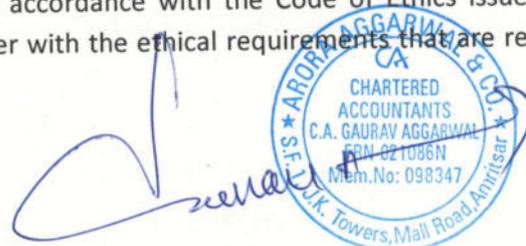
Kwality Pharmaceuticals Africa, Limitada.

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 the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated net profit and other financial information of the Group for the half year ended **March 31, 2021** and for the year ended **March 31, 2021**.

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 (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





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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.

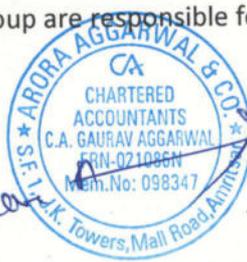
Management's Responsibilities for the Consolidated Financial Results

These half yearly 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 of the each entity of the Group.

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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.



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- 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.

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.316.72 Lacs as at **31st March 2021**, total revenue of Rs. 241.85 Lacs and total net Loss of Rs. 43.17 Lacs and Rs.52.74 Lacs for the half year ended **31st March 2021** and for the year ended **31st March 2021** respectively, as considered in the consolidated Financial Results. The unaudited Financial Results of these entities 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 these entities, 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.



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The consolidated annual financial results include the results for the half year ended **31st March 2021** 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 first half year of the current 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 :- 21098347AAAABS1653

Place:-Amritsar

Date:-30-06-2021