



**KWALITY PHARMACEUTICALS LIMITED**

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

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

Email Id:-[ramesh@kwalitiypharma.com](mailto:ramesh@kwalitiypharma.com); Website :- [www.kwalitiypharma.com](http://www.kwalitiypharma.com)

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Date: October 22, 2021

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

Subject: Submission of standalone and consolidated un-audited financial results for the half year ended on 30.09.2021 under Regulation 33 of the SEBI (LODR) Regulations, 2015

Ref: Scrip Code: 539997

With respect to captioned subject, we wish to inform you that the Board of Directors in its Meeting held today has inter-alia, considered and approved the standalone and consolidated Un-Audited Financial Results for the half-year ended September 30, 2021.

We are submitting herewith the standalone and consolidated un-audited financial results under Regulation 33 of the Securities and Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the half year ended as on 30.09.2021 along with the limited review reports thereon.

Kindly take the above on your 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. :- 8558820863

Email Id:-[ramesh@kwalitypharma.com](mailto:ramesh@kwalitypharma.com); Website :- [www.kwalitypharma.com](http://www.kwalitypharma.com)

### **Kwality Pharma delivers robust growth**

Kwality's total revenue for the first six months of FY22 increased 154 percent to Rs 305 crore from Rs 120 crore against the same period the previous year. Primary drivers of this growth are its higher exports to new geographies, a result of the Pharmaceutical Inspection Co-operation's (PIC) certification giving it access to 20 new countries and its two new plants going live during this period, thus adding to its topline.

EBITDA grew to Rs 132 crore from Rs 14 crore during the same period, while EBITDA margin stood at 43.3 percent. Overall improvement in EBITDA can be attributed to increased sales of high margin products, operating leverage kicking in and cost rationalization initiatives.

Net profit also increased to Rs 94 crore from Rs 7 crore, even as the company continues to focus on increasing productivity and driving further efficiencies across the value chain.

Total debt (both long and short term) is down to Rs 11.8 crore since March 31, 2021.

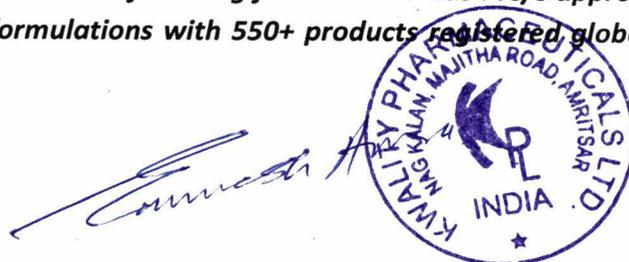
| Six Months ended (Crs) | 30-Sep-21 | 30-Sep-20 | YoY Growth (%) |
|------------------------|-----------|-----------|----------------|
| Total Revenue          | 305       | 120       | 154%           |
| EBITDA                 | 132       | 14        | 859%           |
| EBITDA Margin          | 43.3%     | 11.5%     | 31.8% points   |
| PAT                    | 94        | 7         | 1251%          |

### **Outlook for Second half of FY22**

Management believes that it can repeat its first half performance, aided by strong order book and two other plants getting commissioned in the next few months, provided Covid-19 does not cause extended disruption.

### **About Kwality**

*Kwality is a research driven leading exporter of complex branded formulations across all dosage forms. It has five state-of-the-art manufacturing facilities and has PIC/s approval. The company manufactures over 3,000 formulations with 550+ products registered globally and has over 1,000 employees.*



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

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

Tel.: 0183 5030348, 2223348 Mobile : +91 98143 10561

E-mail: gauravca77@yahoo.com

Website : www.aroraaggarwal.com

**LIMITED REVIEW REPORT ON UNAUDITED HALF YEARLY STANDALONE FINANCIAL RESULTS OF COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,

**The Board of Directors of  
Kwality Pharmaceuticals Limited.**

We have reviewed the accompanying statement of unaudited standalone financial results of **Kwality Pharmaceuticals Limited for the half year ended September 30, 2021**, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For ARORA AGGARWAL & CO.  
Chartered Accountants****CA GAURAV AGGARWAL  
Partner  
M. No: 098347  
FRN: 021086N  
UDIN:- 21098347AAAACJ3021****Place: Amritsar  
Date: 22-10-2021**



**GAURAV AGGARWAL**

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

# 1, Second Floor, J.K. Towers, Mall Road, Amritsar.  
Tel.: **0183 5030348, 2223348** Mobile : **+91 98143 10561**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON CONSOLIDATED UNAUDITED HALF YEARLY FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,

**The Board of Directors of  
Kwality Pharmaceuticals Limited.**

1. We have reviewed the accompanying statement of Consolidated Unaudited Financial Results of **Kwality Pharmaceuticals Limited ("the Parent")** and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), and its share of the net profit/(loss) after tax for the half year ended on **30<sup>th</sup> September 2021**, being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.  
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of the following entities:

**Kwality Pharmaceuticals Africa Limitada (Foreign subsidiary)**

*Gaurav A*  
22-10-2021





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

# 1, Second Floor, J.K. Towers, Mall Road, Amritsar.  
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5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The consolidated unaudited financial results includes the interim financial statements/ financial information/ financial results of subsidiary which have not been reviewed/audited by their auditors, whose interim financial statements/ financial information/ financial results reflect total assets of Rs. 262.05 Lacs as at 30<sup>th</sup> September 2021 and total revenue of Rs. 9.31 Lacs, total net loss of Rs. 7.16 Lacs and total comprehensive income / loss of Rs. Nil for the half year ended 30<sup>th</sup> September 2021, and cash flows (net) of Rs.1.93 Lacs for the period from 01<sup>st</sup> April 2021 to 30<sup>th</sup> September 2021, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial statements / financial information / financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For ARORA AGGARWAL & CO.  
Chartered Accountants

CA GAURAV AGGARWAL  
Partner  
M. No: 098347  
FRN: 021086N  
UDIN:- 21098347AAAACI3852



Place: Amritsar  
Date: 22-10-2021

# KWALITY PHARMACEUTICALS LIMITED

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

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

## STANDALONE FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 30TH SEPTEMBER, 2021

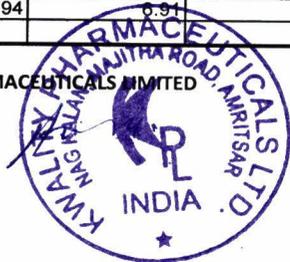
| Particulars |   | Rupees in Lakhs                               |  |  |                                       |
|-------------|---|---|--|--|---------------------------------------|
|             |   | Half Year Ended<br>30.09.2021<br>(Unaudited ) | Half Year Ended<br>31.03.2021 (Audited ) | Half Year<br>Ended<br>30.09.2020<br>(Unaudited ) | Year ended<br>31.03.2021<br>(Audited) |
| <b>A</b>    | <b>CONTINUING OPERATIONS</b>  |   |  |  |                                       |
| 1           | Revenue from operations (Net)   | 30390.35                                      | 14179.87                                 | 11970.40   | 26150.27                              |
| 2           | Other income  | 107.21  | 115.28                                   | 43.48  | 158.76                                |
| 3           | <b>Total revenue (1+2)</b>  | <b>30497.56</b>                               | <b>14295.15</b>                          | <b>12013.88</b>                                  | <b>26309.03</b>                       |
| 4           | <b>Expenses</b>   |   |  |  |                                       |
|             | (a) Cost of materials consumed  | 12450.91                                      | 8707.54                                  | 7820.13  | 16527.67                              |
|             | (b) Purchases of stock-in-trade   | 258.67  | 22.18                                    | 0.00   | 22.18                                 |
|             | (c) Changes in inventories of finished goods, work-in-  | (935.87)                                      | (221.18)                                 | 230.46   | 9.28                                  |
|             | (d) Employee benefits expense   | 813.62  | 945.63                                   | 622.28   | 1567.91                               |
|             | (e) Finance Cost  | 139.06  | 141.61                                   | 119.62   | 261.23                                |
|             | (f) Depreciation and amortisation expense   | 470.66  | 348.78                                   | 294.83   | 643.61                                |
|             | (g) Other expenses  | 4707.35                                       | 3171.18                                  | 1926.06  | 5097.24                               |
|             | <b>Total expenses</b>   | <b>17904.42</b>                               | <b>13115.74</b>                          | <b>11013.38</b>                                  | <b>24129.12</b>                       |
| 5           | <b>Profit/(Loss) from operations before Exceptional and Extraordinary items and Tax (3-4)</b> | <b>12593.15</b>                               | <b>1179.41</b>                           | <b>1000.50</b>                                   | <b>2179.91</b>                        |
| 6           | Exceptional Items   |   |  |  |                                       |
| 7           | <b>Profit / (Loss) before extraordinary items and tax (5-6)</b>                               | <b>12593.15</b>                               | <b>1179.41</b>                           | <b>1000.50</b>                                   | <b>2179.91</b>                        |
| 8           | Extraordinary items   |   |  |  |                                       |
| 9           | <b>Profit / (Loss) before tax (7+ 8)</b>  | <b>12593.15</b>                               | <b>1179.41</b>                           | <b>1000.50</b>                                   | <b>2179.91</b>                        |
| 10          | <b>Tax expense:</b>   |   |  |  |                                       |
|             | (1) Current tax   | 3170.00                                       | 328.00                                   | 252.00   | 580.00                                |
|             | (2) Deferred tax  | 22.25   | 2.00                                     | 14.23  | 16.23                                 |
|             | (3) Income tax relating to earlier years  | 0.00  | 25.27                                    | 16.91  | 42.18                                 |
| 11          | <b>Profit / (Loss) from continuing operations (9 +10)</b>                                     | <b>9400.89</b>                                | <b>824.14</b>                            | <b>717.36</b>                                    | <b>1541.50</b>                        |
| <b>B</b>    | <b>DISCONTINUING OPERATIONS</b>   |   |  |  |                                       |
| 12          | Profit / (Loss) from discontinuing operations   | 0.00  | 0.00                                     | 0.00   | 0.00                                  |
| 13          | Tax expense of discontinuing operations   | 0.00  | 0.00                                     | 0.00   | 0.00                                  |
| 14          | <b>Profit / (Loss) from discontinuing operations (after tax) (12-13)</b>                      | <b>0.00</b>                                   | <b>0.00</b>                              | <b>0.00</b>                                      | <b>0.00</b>                           |
| 15          | <b>Profit / (Loss) for the year (11 + 14)</b>   | <b>9400.89</b>                                | <b>824.14</b>                            | <b>717.36</b>                                    | <b>1541.50</b>                        |
| 16          | Paid up equity share capital(Face value Rs.10 per share)                                      | 1037.62                                       | 1037.62                                  | 1037.62  | 1037.62                               |
| 17          | <b>Earning Per Share(EPS)</b>   |   |  |  |                                       |
|             | Basic   | 90.60   | 7.94                                     | 6.91   | 14.86                                 |
|             | Diluted   | 90.60   | 7.94                                     | 6.91   | 14.86                                 |

Date:- 22-10-2021

Place:- Amritsar

FOR KWALITY PHARMACEUTICALS LIMITED

*Ramesh Arora*  
**RAMESH ARORA**  
 Managing Director  
 DIN: 00462656



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## STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS ON 30TH SEPTEMBER, 2021

| Particulars |   | Rupees in Lakhs                        |                                |
|-------------|---|--|--------------------------------|
| A           | EQUITY AND LIABILITIES  | As at 30th September, 2021 (Unaudited) | As at 31 March, 2021 (Audited) |
| <b>1</b>    | <b>Shareholders' funds</b>  |  |                                |
|             | (a) Share capital   | 1037.62                                | 1,037.62                       |
|             | (b) Reserves and surplus  | 14614.26                               | 5,213.37                       |
|             | <b>Sub-Total-Shareholders' Fund</b>                               |  |                                |
|             |   | 15651.88                               | 6,250.99                       |
| <b>3</b>    | <b>Non-current liabilities</b>                                    |  |                                |
|             | (a) Long-term borrowings  | 1873.57                                | 1,826.39                       |
|             | (b) Deferred tax liabilities (net)                                | 18.49                                  | -                              |
|             | (c) Other long-term liabilities                                   | 918.04                                 | 918.04                         |
|             | (d) Long-term provisions  | 80.31                                  | 67.81                          |
|             | <b>Sub-Total- Non-current liabilities</b>                         | 2890.42                                | 2,812.24                       |
| <b>4</b>    | <b>Current liabilities</b>  |  |                                |
|             | (a) Short-term borrowings   | 422.37                                 | 1645.48                        |
|             | (b) Trade payables  |  |                                |
|             | i) Total outstanding dues to micro and small enterprises          | 1192.28                                | 1,034.59                       |
|             | ii) Total outstanding dues other than Micro and Small Enterprises | 1170.45                                | 1,586.88                       |
|             | (c) Other current liabilities                                     | 3663.57                                | 2,968.20                       |
|             | (d) Short-term provisions   | 3170.00                                | 580.00                         |
|             | <b>Sub-Total- Current liabilities</b>                             | 9618.67                                | 7,815.15                       |
|             | <b>TOTAL</b>  | <b>28,160.97</b>                       | <b>16,878.37</b>               |
| <b>B</b>    | <b>ASSETS</b>   |  |                                |
| <b>1</b>    | <b>Non-current assets</b>   |  |                                |
|             | (a) Fixed assets  |  |                                |
|             | (i) Tangible assets   | 7804.81                                | 5,841.20                       |
|             | (b) Non-current investments                                       | 425.47                                 | 428.16                         |
|             | (c) Deferred Tax Assets (Net)                                     | 0.00                                   | 3.76                           |
|             | (d) Long-term loans and advances                                  | 17.23                                  | 17.23                          |
|             | (e) Other non-current assets                                      |  | -                              |
|             | <b>Sub-Total- Non-current assets</b>                              | 8247.51                                | 6,290.35                       |
| <b>2</b>    | <b>Current assets</b>   |  |                                |
|             | (a) Current investments   | 370.7                                  | 443.75                         |
|             | (b) Inventories   | 3585                                   | 1,736.45                       |
|             | (c) Trade receivables   | 10566.31                               | 3,777.56                       |
|             | (d) Cash and cash equivalents                                     | 102.21                                 | 513.30                         |
|             | (e) Short-term loans and advances                                 | 5289.23                                | 4,116.96                       |
|             | (f) Other current assets  | -                                      | -                              |
|             | <b>Sub-Total- Current assets</b>                                  | 19913.46                               | 10588.02                       |
|             | <b>TOTAL</b>  | <b>28,160.97</b>                       | <b>16,878.37</b>               |

Date:- 22-10-2021

Place:- Amritsar

FOR KWALITY PHARMACEUTICALS LIMITED

*Ramesh Arora*  
**RAMESH ARORA**  
 Managing Director  
 DIN: 00462656



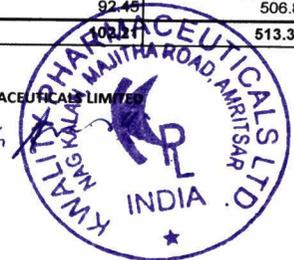
**KWALITY PHARMACEUTICALS LIMITED**  
**Standalone Cash Flow Statement for the year ended 30TH SEPTEMBER, 2021**

| A | CASH FLOW FROM OPERATING ACTIVITIES                                  | Half Year ended 30th September, 2021 |                   | Year ended 31st March 2021 |                   |
|---|--|--------------------------------------|-------------------|----------------------------|-------------------|
|   |  |                                      |                   |                            |                   |
|   | Net Profit Before Tax  |                                      | 12593.15          |                            | 2179.91           |
|   | Adjustments for:   |                                      |                   |                            |                   |
|   | Depreciation   | 470.66                               |                   | 643.61                     |                   |
|   | (Profit)/loss on sale of Assets                                      | -                                    |                   | 1.96                       |                   |
|   | Long-term Provision for Gratuity                                     | 12.50                                |                   | 5.64                       |                   |
|   | Amortisation of Share Capital Expenses                               | -                                    |                   | 3.46                       |                   |
|   | Interest & Finance Charges   | 139.06                               |                   | 261.23                     |                   |
|   | Interest on FDR  | (4.06)                               |                   | (18.14)                    |                   |
|   | Interest on Investment, deposits and advances                        | -                                    |                   | -                          |                   |
|   | Investment in shares written off                                     | -                                    |                   | -                          |                   |
|   |  |                                      | 618.16            |                            | 897.76            |
|   | <b>Operating Profit before Working Capital Changes</b>               |                                      | <b>13,211.30</b>  |                            | <b>3,077.67</b>   |
|   | Adjustments for:   |                                      |                   |                            |                   |
|   | Decrease/(Increase) in Receivables                                   | (6,788.75)                           |                   | (743.04)                   |                   |
|   | Decrease/(Increase) in Short Term Loans & advances                   | (1,172.28)                           |                   | (992.24)                   |                   |
|   | Decrease/(Increase) in Inventories                                   | (1,848.55)                           |                   | 505.23                     |                   |
|   | Decrease/(Increase) in Other Current Assets                          | -                                    |                   | 3.46                       |                   |
|   | Decrease/(Increase) in Current Investments                           | 73.05                                |                   | (110.00)                   |                   |
|   | Increase/(Decrease) in Other current Liabilities                     | 695.37                               |                   | 927.98                     |                   |
|   | Increase/(Decrease) in Short Term Provisions                         | 2,590.00                             |                   | 280.00                     |                   |
|   | Increase/(Decrease) in Payables                                      | (258.74)                             |                   | 324.93                     |                   |
|   |  |                                      | (6,709.89)        |                            | 196.32            |
|   | <b>Cash generated from operations</b>                                |                                      | <b>6,501.42</b>   |                            | <b>3,273.99</b>   |
|   | Less: Income Tax   |                                      | 3170.00           |                            | 638.40            |
|   | <b>Net Cash flow from Operating activities (A)</b>                   |                                      | <b>3,331.42</b>   |                            | <b>2,635.59</b>   |
|   |  |                                      |                   |                            |                   |
| B | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                           |                                      |                   |                            |                   |
|   | Purchase of Fixed Assets   | (2,434.27)                           |                   | (2,339.27)                 |                   |
|   | Sale of Fixed Assets   | -                                    |                   | 14.40                      |                   |
|   | Decrease in Investment   | 2.69                                 |                   | (12.85)                    |                   |
|   | Interest on Investment   | -                                    |                   | -                          |                   |
|   | Interest on Electricity Deposit                                      | -                                    |                   | -                          |                   |
|   | Interest on FDR  | 4.06                                 |                   | 18.14                      |                   |
|   | Decrease in Other Non Current Assets                                 | -                                    |                   | -                          |                   |
|   | <b>Net Cash used in Investing activities (B)</b>                     |                                      | <b>(2,427.52)</b> |                            | <b>(2,319.58)</b> |
|   |  |                                      |                   |                            |                   |
| C | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                           |                                      |                   |                            |                   |
|   | Proceeds from Long term Borrowings                                   | 500.36                               |                   | 1,516.79                   |                   |
|   | Proceeds from Short term Borrowings                                  | 26,578.44                            |                   | 35,794.52                  |                   |
|   | Repayment of Long Term Borrowings                                    | (453.17)                             |                   | (509.19)                   |                   |
|   | Repayment of Short Term Borrowings                                   | (27,801.56)                          |                   | (36,458.24)                |                   |
|   | Interest paid  | (139.06)                             |                   | (261.23)                   |                   |
|   | Increase in Long term Liabilities                                    | -                                    |                   | -                          |                   |
|   | Share Issue Expenses   | -                                    |                   | -                          |                   |
|   | <b>Net Cash from financing activities (C)</b>                        |                                      | <b>(1,314.99)</b> |                            | <b>82.65</b>      |
|   | <b>Net increase in cash &amp; Cash Equivalents (A+B+C)</b>           |                                      | <b>(411.09)</b>   |                            | <b>398.65</b>     |
|   | Opening Cash and Cash equivalents                                    |                                      | 513.30            |                            | 114.65            |
|   | Closing Cash and Cash equivalents                                    |                                      | <b>102.21</b>     |                            | <b>513.30</b>     |
|   |  |                                      |                   |                            |                   |
|   | <b>Cash &amp; Cash Equivalents</b>                                   |                                      |                   | As on                      | As on             |
|   |  |                                      |                   | 30.09.2021                 | 31.03.2021        |
|   |  |                                      |                   |                            |                   |
|   | Cash in Hand   |                                      |                   | 9.77                       | 6.41              |
|   | Cash at Bank   |                                      |                   | 92.45                      | 506.89            |
|   | <b>Cash &amp; Cash equivalents as stated in Financial Statements</b> |                                      |                   |                            | <b>513.30</b>     |

Date:- 22-10-2021  
Place:- Amritsar

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

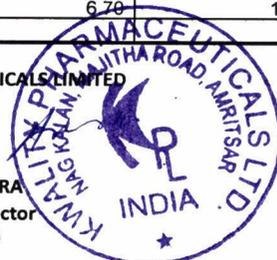
**CONSOLIDATED FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 30TH SEPTEMBER, 2021**

| Particulars |  | Half Year Ended<br>30.09.2021<br>(Unaudited) | Half Year<br>Ended<br>31.03.2021<br>(Audited) | Half Year<br>Ended<br>30.09.2020<br>(Unaudited) | Year ended<br>31.03.2021<br>(Audited) |
|-------------|--|--|---|---|---------------------------------------|
| <b>A</b>    | <b>CONTINUING OPERATIONS</b>   |  |   |   |                                       |
| 1           | Revenue from operations (gross)  | 30395.04                                     | 14,231.04                                     | 11,970.40                                       | 26,201.44                             |
| 2           | Other income   | 107.21                                       | 113.19  | 45.57   | 158.76                                |
| 3           | <b>Total revenue (1+2)</b>   | <b>30502.25</b>                              | <b>14,344.23</b>                              | <b>12,015.97</b>                                | <b>26,360.20</b>                      |
| 4           | <b>Expenses</b>  |  |   |   |                                       |
|             | (a) Cost of materials consumed   | 12450.91                                     | 8,707.54                                      | 7,820.13  | 16,527.67                             |
|             | (b) Purchases of stock-in-trade  | 258.67                                       | 22.18   | 0.00  | 22.18                                 |
|             | (c) Changes in inventories of finished goods, work-in-                                   | (935.87)                                     | (221.18)                                      | 230.46  | 9.28                                  |
|             | (d) Employee benefits expense  | 819.79                                       | 955.74  | 634.27  | 1590.01                               |
|             | (e) Finance Cost   | 139.06                                       | 147.54  | 119.62  | 267.16                                |
|             | (f) Depreciation and amortisation expense  | 473.02                                       | 352.08  | 297.22  | 649.30                                |
|             | (g) Other expenses   | 4710.67                                      | 3,212.75                                      | 1954.69   | 5167.44                               |
|             | <b>Total expenses</b>  | <b>17916.26</b>                              | <b>13,176.64</b>                              | <b>11,056.39</b>                                | <b>24,233.03</b>                      |
| 5           | Profit/(Loss) from operations before Exceptional and<br>Extraordinary items and Tax(3-4) | 12585.99                                     | 1,167.58                                      | 959.58  | 2,127.16                              |
| 6           | Exceptional items  |  |   |   |                                       |
| 7           | Profit / (Loss) before extraordinary items and tax (5-6)                                 | 12585.99                                     | 1,167.58                                      | 959.58  | 2,127.16                              |
| 8           | Extraordinary items  |  |   |   |                                       |
| 9           | Profit / (Loss) before tax (7-8)   | 12585.99                                     | 1,167.58                                      | 959.58  | 2,127.16                              |
| 10          | <b>Tax expense:</b>  |  |   |   |                                       |
|             | (a) Current tax  | 3170.00                                      | 325.76  | 254.24  | 580.00                                |
|             | (b) Deferred tax   | 22.25  | 2.00  | 14.23   | 16.23                                 |
|             | (c) Income tax relating to earlier years   | 0.00   | 25.27   | 16.91   | 42.18                                 |
| 11          | Profit / (Loss) from continuing operations (9 +10)                                       | 9393.74                                      | 814.55  | 674.20  | 1,488.75                              |
| <b>B</b>    | <b>DISCONTINUING OPERATIONS</b>  |  |   |   |                                       |
| 12          | Profit / (Loss) from discontinuing operations  | 0.00   | 0.00  | 0.00  | 0.00                                  |
| 13          | Tax expense from discontinuing operations  | 0.00   | 0.00  | 0.00  | 0.00                                  |
| 14          | Profit / (Loss) from discontinuing operations (after tax)                                | 0.00   | 0.00  | 0.00  | 0.00                                  |
| 15          | Profit / (Loss) for the year (11 + 14)   | 9393.74                                      | 814.55  | 674.20  | 1,488.75                              |
| 16          | Add/ ( Less) Minority Interest in Subsidiary Profits                                     | 3.51   | 4.69  | 21.15   | 25.84                                 |
| 17          | Profit / (Loss) for the year (15 + 16)   | 9,397.24                                     | 819.24  | 695.35  | 1,514.59                              |
| 18          | Paid up equity sharecapital(Face value Rs.10 per share)                                  | 1037.62                                      | 1,037.62                                      | 1,037.62  | 1,037.62                              |
| 19          | <b>Earning Per Share(EPS)</b>  |  |   |   |                                       |
|             | Basic  | 90.57  | 7.90  | 6.70  | 14.60                                 |
|             | Diluted  | 90.57  | 7.90  | 6.70  | 14.60                                 |

FOR KWALITY PHARMACEUTICALS LIMITED



**RAMESH ARORA**  
Managing Director  
DIN: 00462656


 Date:- 22-10-2021  
Place:- Amritsar

# KWALITY PHARMACEUTICALS LIMITED

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

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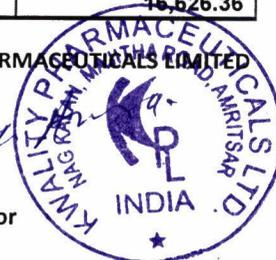
## CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS ON 30TH SEPTEMBER, 2021

Rupees in Lakhs

| Particulars |   | As at 30 September, 2021 (Unaudited) |                  | As at 31 March, 2021 (Audited) |                  |
|-------------|---|--------------------------------------|------------------|--------------------------------|------------------|
| A           | EQUITY AND LIABILITIES  |                                      |                  |                                |                  |
|             | <b>1 Shareholders' funds</b>                                      |                                      |                  |                                |                  |
|             | (a) Share capital   | 1037.62                              |                  | 1,037.62                       |                  |
|             | (b) Reserves and surplus  | 14474.89                             |                  | 5,077.64                       |                  |
|             |   |                                      | 15512.51         |                                | 6,115.26         |
|             | <b>2 Minority Interest in Subsidiary</b>                          | (133.70)                             |                  | (130.19)                       |                  |
|             |   |                                      | (133.70)         |                                | (130.19)         |
|             | <b>3 Non-current liabilities</b>                                  |                                      |                  |                                |                  |
|             | (a) Long-term borrowings  | 1873.57                              |                  | 1,826.39                       |                  |
|             | (b) Deferred tax liabilities (net)                                | 18.49                                |                  | -                              |                  |
|             | (c) Other long-term liabilities                                   | 918.04                               |                  | 918.04                         |                  |
|             | (d) Long-term provisions  | 80.31                                | 2890.42          | 67.81                          |                  |
|             | <b>4 Current liabilities</b>                                      |                                      |                  |                                | 2,812.24         |
|             | (a) Short-term borrowings   | 422.37                               |                  | 1,645.48                       |                  |
|             | (b) Trade payables-   |                                      |                  |                                |                  |
|             | i) Total outstanding dues to micro and small enterprises          | 1192.28                              |                  | 1,034.59                       |                  |
|             | ii) Total outstanding dues other than Micro and Small Enterprises | 1170.45                              |                  | 1,586.87                       |                  |
|             | (c) Other current liabilities                                     | 3664.14                              |                  | 2,982.10                       |                  |
|             | (d) Short-term provisions   | 3170.00                              |                  | 580.00                         |                  |
|             |   |                                      | 9619.24          |                                | 7,829.05         |
|             | <b>TOTAL</b>  |                                      | <b>27,888.47</b> |                                | <b>16,626.36</b> |
| <b>B</b>    | <b>ASSETS</b>   |                                      |                  |                                |                  |
|             | <b>1 Non-current assets</b>                                       |                                      |                  |                                |                  |
|             | (a) Fixed assets  |                                      |                  |                                |                  |
|             | (i) Tangible assets   | 7903.33                              |                  | 5,942.07                       |                  |
|             | (b) Non-current investments                                       | 70.69                                |                  | 73.39                          |                  |
|             | (c) Deferred Tax Assets (Net)                                     |                                      |                  | 3.76                           |                  |
|             | (d) Long-term loans and advances                                  | 17.23                                |                  | 17.23                          |                  |
|             | (e) Other non-current assets                                      |                                      |                  | -                              |                  |
|             |   |                                      | 7991.25          |                                | 6,036.44         |
|             | <b>2 Current assets</b>   |                                      |                  |                                |                  |
|             | (a) Current investments   | 370.70                               |                  | 443.75                         |                  |
|             | (b) Inventories   | 3585.00                              |                  | 1,736.45                       |                  |
|             | (c) Trade receivables   | 10480.58                             |                  | 3,571.08                       |                  |
|             | (d) Cash and cash equivalents                                     | 171.70                               |                  | 580.85                         |                  |
|             | (e) Short-term loans and advances                                 | 5289.24                              |                  | 4,257.79                       |                  |
|             | (f) Other current assets  |                                      |                  | -                              |                  |
|             |   |                                      | 19897.22         |                                | 10,589.92        |
|             | <b>TOTAL</b>  |                                      | <b>27,888.47</b> |                                | <b>16,626.36</b> |

FOR KWALITY PHARMACEUTICALS LIMITED

RAMESH ARORA  
Managing Director  
DIN: 00462656



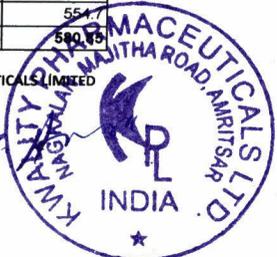
Date:- 22-10-2021  
Place:- Amritsar

| <b>KWALITY PHARMACEUTICALS LIMITED</b>  |             |                                 |                            |
|---|-------------|---------------------------------|----------------------------|
| <b>Consolidated Cash Flow Statement for the year ended 30TH SEPTEMBER, 2021</b> |             |                                 |                            |
|   |             | Half Year ended 30th Sept. 2021 | Year ended 31st March 2021 |
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                                    |             |                                 |                            |
| Net Profit Before Tax   |             | 12585.99                        | 2127.16                    |
| Adjustments for:  |             |                                 |                            |
| Depreciation  | 473.02      |                                 | 649.30                     |
| (Profit)/loss on sale of Assets   | -           |                                 | 1.96                       |
| Long-term Provision for Gratuity  | 12.50       |                                 | 5.64                       |
| Amortisation of Share Capital Expenses  | -           |                                 | 3.46                       |
| Interest & Finance Charges  | 139.06      |                                 | 267.16                     |
| Interest on FDR   | (4.06)      |                                 | (18.14)                    |
| Interest on Investment, deposits and advances                                   | -           |                                 | -                          |
| Investment in shares written off  | -           |                                 | -                          |
| Minority Interest Adjustment  | -           |                                 | -                          |
| Assets Revaluation  | -           |                                 | -                          |
|   |             | 620.52                          | 909.38                     |
| <b>Operating Profit before Working Capital Changes</b>                          |             | <b>13,206.50</b>                | <b>3036.54</b>             |
| Adjustments for:  |             |                                 |                            |
| Decrease/(Increase) in Receivables  | (6,909.50)  |                                 | (537.95)                   |
| Decrease/(Increase) in Short Term Loans & advances                              | (1,031.45)  |                                 | (1,120.58)                 |
| Decrease/(Increase) in Inventories  | (1,848.55)  |                                 | 505.23                     |
| Decrease/(Increase) in Other Current Assets                                     | -           |                                 | 3.46                       |
| Decrease/(Increase) in Current Investments                                      | 73.05       |                                 | (110.00)                   |
| Increase/(Decrease) in Other current Liabilities                                | 682.03      |                                 | 927.32                     |
| Increase/(Decrease) in Short Term Provisions                                    | 2,590.00    |                                 | 280.00                     |
| Increase/(Decrease) in Payables   | (258.73)    |                                 | 324.92                     |
|   |             | (6,703.15)                      | 272.41                     |
| <b>Cash generated from operations</b>   |             | <b>6,503.35</b>                 | <b>3,308.95</b>            |
| Less: Income Tax  |             | 3170.00                         | 638.41                     |
| <b>Net Cash flow from Operating activities (A)</b>                              |             | <b>3,333.35</b>                 | <b>2,670.54</b>            |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                                    |             |                                 |                            |
| Purchase of Fixed Assets  | (2,434.27)  |                                 | (2,339.95)                 |
| Sale of Fixed Assets  | -           |                                 | 14.40                      |
| Decrease in Investment  | 2.69        |                                 | (12.85)                    |
| Interest on Investment  | -           |                                 | -                          |
| Interest on Electricity Deposit   | -           |                                 | -                          |
| Interest on FDR   | 4.06        |                                 | 18.14                      |
| Decrease in Other Non Current Assets  | -           |                                 | -                          |
| <b>Net Cash used in Investing activities (B)</b>                                |             | <b>(2,427.52)</b>               | <b>(2,320.26)</b>          |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                                    |             |                                 |                            |
| Proceeds from Long term Borrowings  | 500.36      |                                 | 1,516.79                   |
| Proceeds from Short term Borrowings   | 26,578.45   |                                 | 35,794.53                  |
| Repayment of Long Term Borrowings   | (453.17)    |                                 | (509.19)                   |
| Repayment of Short Term Borrowings  | (27,801.56) |                                 | (36,458.24)                |
| Interest paid   | (139.06)    |                                 | (267.16)                   |
| Increase in Long term Liabilities   | -           |                                 | -                          |
| Share Issue Expenses  | -           |                                 | -                          |
| <b>Net Cash from financing activities (C)</b>                                   |             | <b>(1,314.98)</b>               | <b>76.73</b>               |
| <b>Net increase in cash &amp; Cash Equivalents (A+B+C)</b>                      |             | <b>(409.15)</b>                 | <b>427.01</b>              |
| Opening Cash and Cash equivalents   |             | 580.85                          | 153.84                     |
| Closing Cash and Cash equivalents   |             | <b>171.70</b>                   | <b>580.85</b>              |
| <b>Cash &amp; Cash Equivalents</b>  |             |                                 |                            |
|   |             |                                 |                            |
| Cash in Hand  |             | 14.92                           | 26.15                      |
| Cash at Bank  |             | 156.78                          | 554.70                     |
| <b>Cash &amp; Cash equivalents as stated in Financial Statements</b>            |             | <b>171.70</b>                   | <b>580.85</b>              |

Date:- 22-10-2021  
Place:- Amritsar

FOR KWALITY PHARMACEUTICALS LIMITED

*Ramesh Arora*  
RAMESH ARORA  
Managing Director  
DIN: 00462656



**Notes:**

1.) The unaudited Financial results were reviewed by the Audit Committee and taken on record by the Board of directors at their meeting held on 22nd October, 2021.

2) As required under Regulation 33 of the SEBI (LODR) Regulations, 2015, the Statutory Auditors have issued Limited Review Reports on the aforesaid unaudited financial results for the half year ended 30th September, 2021, which were also approved by the Audit Committee and Board at their meeting held on Friday, 22nd October, 2021.

3) The Earning Per Sare (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 30th September, 2021 is as under

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

6) Statement(s) of Assets and Liabilities as on 30th September, 2021 (Standalone & Consolidated) are enclosed herewith.

7) The Status of Investor's Complaints during the half year ended on 30th September, 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 ended 30th September, 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 16<sup>th</sup> 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.

For Kwality Pharmaceuticals Ltd

  
(RAMESH ARORA)  
MANAGING DIRECTOR  
DIN: 00462656



Place: Amritsar  
Date: 22-10-2021