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INNOVA CAPTAB LIMITED

Our Company was incorporated in Mumbai, Maharashtra, as 'Harun Health Care Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 3, 2005, issued by the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**"). Thereafter, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on December 26, 2009, the name of our Company was changed from 'Harun Health Care Private Limited' to 'Innova Captab Private Limited', and consequently, a fresh certificate of incorporation dated February 2, 2010, was issued by the RoC to our Company. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on July 12, 2018, and consequently, the name of our Company was changed to our present name, 'Innova Captab Limited', and a fresh certificate of incorporation dated July 26, 2018, was issued by the RoC to our Company. For details of changes in the name and the registered office address of our Company, see '*History and Certain Corporate Matters*' on page 204 of the draft red herring prospectus dated June 28, 2022 (the "**Draft Red Herring Prospectus**").

Corporate Identity Number: U24246MH2005PLC150371; **Website:** www.innovacaptab.com
Registered Office: Office No. 606, Ratan Galaxie – 6th Floor, Plot No. 1, J. N. Road, Mulund (W), Mumbai, Maharashtra 400 080, India; **Telephone:** +91 22 2564 2095
Corporate Office: Second Floor, SCO No. 301, Sector 9, Panchkula, Haryana 134 109, India
Contact Person: Neeharika Shukla, Company Secretary and Compliance Officer; **Telephone:** +91 172 4194500; **Email:** investors@innovacaptab.com

NOTICE TO INVESTORS: ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JUNE 28, 2022

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION ("OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹4,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 9,600,000 EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹[●] MILLION, COMPRISING OF UP TO 3,200,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY MANOJ KUMAR LOHARIWALA, UP TO 3,200,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY VINAY KUMAR LOHARIWALA (TOGETHER WITH MANOJ KUMAR LOHARIWALA, THE "PROMOTER SELLING SHAREHOLDERS") AND UP TO 3,200,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY GIAN PARKASH AGGARWAL (THE "OTHER SELLING SHAREHOLDER", AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS", AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER WILL CONSTITUTE [●]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, HAS UNDERTAKEN THE PRE-IPO PLACEMENT OF 1,412,430 COMPULSORILY CONVERTIBLE PREFERENCE SHARES ("CCPSs") AT A PRICE OF ₹354.00 PER CCPS (INCLUDING A PREMIUM OF ₹344.00) AGGREGATING TO ₹500.00 MILLION ("PRE-IPO PLACEMENT"). THE SIZE OF THE FRESH ISSUE OF UPTO ₹4,000.00 MILLION HAS BEEN REDUCED BY ₹[●] MILLION PURSUANT TO THE PRE-IPO PLACEMENT AND ACCORDINGLY, THE REVISED SIZE OF THE FRESH ISSUE IS UPTO ₹[●] MILLION.

Potential Bidders may note the following:

a) The Draft Red Herring Prospectus contains the Restated Consolidated Financial Information of our Company, as at and for the nine months ended December 31, 2021, and the financial years ended March 31, 2021, March 31, 2020, and March 31, 2019. The section titled *"Restated Consolidated Financial Information"* beginning on page 240 of the Draft Red Herring Prospectus has been updated through this Addendum to provide the updated Restated Consolidated Financial Information of our Company, as at and for the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, Restated Consolidated Statement of Profit and Loss, and Restated Consolidated Statement of Cash Flows and Restated Consolidated Statement of Changes in Equity for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, together, with the Basis of Preparation and Significant Accounting Policies and other explanatory information, compiled from the audited Ind AS Consolidated Financial Statements of our Company as at and for the financial years ended March 31, 2023 and March 31, 2022 and the audited Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2021, prepared in accordance with Ind AS and other accounting principles generally accepted in India, restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, as amended ("**Restated Consolidated Financial Information**").

b) Pursuant to the filing of the Draft Red Herring Prospectus, our Company acquired Sharon Bio Medicine Limited ("**Sharon**"), a listed entity undergoing the corporate insolvency resolution process ("**CIRP**") under the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"). In accordance with the terms of the resolution plan approved by the NCLT, our Subsidiary UML infused ₹1,954.00 million into Sharon on June 26, 2023. The implementation of the plan was completed on June 30, 2023, the closing date, as per the approved resolution plan and subsequently, the control and sole ownership over Sharon was established pursuant to which Sharon became a wholly owned subsidiary of UML as of June 30, 2023. For further information, see "*Our Business - Acquisition of Sharon Bio Medicine Limited*" on page 18 of this Addendum.

c) On account of the transaction set out in paragraph (b) above, the Pro Forma Condensed Consolidated Statement of Profit and Loss , as also included in this Addendum, has been prepared as if the transaction set out in paragraph (b) above, occurred immediately before the start of the financial year ended March 31, 2023, and the Pro Forma Condensed Consolidated Balance Sheet is prepared as if the transaction above occurred as at March 31, 2023. The Pro Forma Condensed Consolidated Financial Information of the Company comprises of the Pro Forma Condensed Consolidated Balance Sheet as at March 31, 2023 and the Pro Forma Condensed Consolidated Statement of Profit and Loss for the financial year ended March 31, 2023, read with the notes to the Pro Forma Condensed Consolidated Financial Information ("**Pro Forma Condensed Consolidated Financial Information**").

d) To reflect the updated Restated Consolidated Financial Information and updated Pro Forma Condensed Consolidated Financial Information included through this Addendum, the section *"Other Financial Information"* on page 322 of the Draft Red Herring Prospectus has been suitably updated to include updated accounting ratios derived from the updated Restated Consolidated Financial Information and the updated Pro Forma Condensed Consolidated Financial Information and the reconciliation of non-GAAP measures based on the updated Restated Consolidated Financial Information and the updated Pro Forma Condensed Consolidated Financial Information.

e) We have further included a section titled *"Other Key Developments"* in this Addendum to provide details to potential Bidders of certain key developments that have taken place post the date of filing of the Draft Red Herring Prospectus until the date of this Addendum, including to reflect the outstanding litigation involving Sharon in terms of the disclosure requirements under Schedule VI of the SEBI ICDR Regulations.

Potential Bidders may note that in order to assist Bidders to obtain a complete understanding of the updated information, the updated relevant portions of the sections titled *"Our Business"*, *"Restated Consolidated Financial Information"*, *"Pro Forma Condensed Consolidated Financial Information"* and *"Other Financial Information",* as well as the section titled *"Other Key Developments"* have been included in this Addendum. These changes are to be read in conjunction with the Draft Red Herring Prospectus, and accordingly, their references in the Draft Red Herring Prospectus stand updated pursuant to this Addendum. The information in this Addendum supplements the Draft Red Herring Prospectus and updates the information in the Draft Red Herring Prospectus, as applicable. However, this Addendum does not reflect all the changes that have occurred between the date of filing of the Draft Red Herring Prospectus and the date hereof, and accordingly does not include all the changes and/or updates that will be included in the Red Herring Prospectus and the Prospectus. Please note that all other details / information included in the Draft Red Herring Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable, in the Red Herring Prospectus and the Prospectus as and when filed with the RoC, the SEBI and the Stock Exchanges. Investors should not rely on the Draft Red Herring Prospectus or this Addendum for any investment decision, and should read the Red Herring Prospectus, once filed with the RoC, before making an investment decision with respect to the Offer.

All capitalised terms used in this Addendum shall, unless specifically defined or unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only (i) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

This Addendum which has been filed with SEBI and the Stock Exchanges shall be made available to the public for comments, if any, for a period of at least 21 days, from the date of such filing with SEBI and will be available on SEBI's website at www.sebi.gov.in, the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, the website of the Company at www.innovacaptab.com, and the websites of BRLMs, ICICI Securities Limited and JM Financial Limited at www.icicisecurities.com and www.jmfl.com, respectively.

For **Innova Captab Limited**
On behalf of the Board of Directors

Place: Mumbai
Date: September 12, 2023

Sd/-
Neeharika Shukla
Company Secretary and Compliance Officer

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India **Telephone:** + 91 22 6807 7100 **Email:** innova.ipo@icicisecurities.com **Investor grievance e-mail**: customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact Person**: Sameer Purohit / Ashik Joisar **SEBI Registration No.**: INM000011179	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India **Telephone:** + 91 22 6630 3030 **Email:** innova.ipo@jmfl.com **Investor grievance email**: grievance.ibd@jmfl.com **Website**: www.jmfl.com **Contact Person**: Prachee Dhuri **SEBI Registration No**: INM000010361	**KFin Technologies Limited** Selenium, Tower B, Plot No – 31 and 32, Financial District Nanakramguda, Serilingampally Hyderabad, Rangareddi 500 032 Telangana, India **Telephone:** + 91 40 6716 2222 **Email**: innovacaptab.ipo@kfintech.com **Investor grievance e-mail**: einward.ris@kfintech.com **Website**: www.kfintech.com **Contact person**: M Murali Krishna **SEBI Registration No**: INR000000221

BID / OFFER PROGRAMME			
BID/OFFER OPENS ON	[●]*	**BID/OFFER CLOSES ON**	[●]**

* *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.*

** *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

TABLE OF CONTENTS

OUR BUSINESS

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the "Forward-Looking Statements" on page 24 for a discussion of the risks and uncertainties related to those statements and the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 33 and 334 the Draft Red Herring Prospectus, respectively for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of our Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report prepared and released by CRISIL Research and commissioned and paid for by us and prepared exclusively in connection with the Offer. We commissioned the CRISIL Report on February 12, 2022. The CRISIL Report is available at the following web-link: www.innovacaptab.com/investor-relations. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant financial year. For further details and risks in relation to commissioned reports, see "Risk Factors — Certain sections of the Draft Red Herring Prospectus contain information from the CRISIL Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 69 of the Draft Red Herring Prospectus. Also, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and market data" on page 21 of the Draft Red Herring Prospectus.

*Innova Captab Limited acquired assets and liabilities of Innova Captab, a partnership firm (the "**Innova Partnership**") effective as of March 31, 2021 and acquired Univentis Medicare Limited ("**UML**) effective as of December 31, 2021. The Univentis Foundation became a Subsidiary of our Company on June 14, 2021, and it is included from that date in the Restated Consolidated Financial Information for Fiscal 2021. Our Restated Consolidated Financial Information does not include financial information of the Innova Partnership and UML prior to their acquisition by Innova Captab Limited or of the Univentis Foundation prior to it becoming a Subsidiary of our Company. Further on June 30, 2023, we acquired Sharon Bio Medicine Limited ("Sharon"), a listed entity undergoing the corporate insolvency resolution process ("**CIRP**") under the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"). Sharon is not included in our Restated Consolidated Financial Information for Fiscal 2021, Fiscal 2022 or Fiscal 2023.Accordingly, our results of operations and financial condition as set forth in the Restated Consolidated Financial Information are not comparable on a period-to-period basis.*

Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a "Fiscal" or "fiscal year" are to the 12-month period ended March 31 of the relevant year. The financial information included in this section as of, and for Fiscal 2021, Fiscal 2022 and Fiscal 2023 has been extracted from the Restated Consolidated Financial Information, on page 34 of this Addendum. The pro forma financial information in this section is extracted from our Pro Forma Condensed Consolidated Financial Information as of, and for the financial year ended March 31, 2023, on page 105 of this Addendum.

Unless otherwise stated or the context requires otherwise, the operational, production, capacity (as applicable), employee information and other statistical information is provided in this section on a combined basis for Innova Captab Limited (on a consolidated basis, as applicable), UML and the Innova Partnership as of, and for the years ended March 31, 2021, March 31, 2022 and March 31, 2023, and further such operational, production capacity (as applicable), employee information and other statistical information does not include Sharon unless otherwise indicated. Further, since UML was acquired effective as of December 31, 2021, the operational, production, capacity (as applicable), employee information and other statistical information provided as of March 31, 2021, does not include UML. Unless the context otherwise requires, references to our "customer" or "customers" shall be deemed to include affiliates or group companies of our customers, as applicable.

Overview

We are an integrated pharmaceutical company in India with a presence across the pharmaceuticals value chain including research and development, manufacturing, drug distribution and marketing and exports. Our business includes (i) a contract development and manufacturing organization ("**CDMO**") business providing manufacturing services to Indian pharmaceutical companies, (ii) a domestic branded generics business and (iii) an international branded generics business. In terms of operating income, we were the second largest formulation CDMO in India in Fiscal 2021 and the third fastest growing formulation CDMO over the period Fiscal 2019 to

Fiscal 2021. *(Source: CRISIL Report, May 2022).* In Fiscal 2023, we had 182 CDMO customers. Fourteen of the top fifteen Indian pharmaceutical companies that CRISIL Research identified as the largest players in the domestic formulation market in Fiscal 2021 have been a part of our customer base. (*Source: CRISIL Report, May 2022*). In Fiscal 2023, we manufactured a diverse generics product portfolio of over 600 products and market them under our own brands in the Indian market through a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies. In addition, during Fiscal 2023, we exported branded generic products to 20 countries. Revenues from operations as per our Restated Consolidated Financial Information has grown at a 50.19% CAGR from ₹4,106.62 million in Fiscal 2021 to ₹9,263.80 million in Fiscal 2023. Revenue from operations on a pro forma consolidated basis was ₹11,185.96 million in Fiscal 2023.

The foundation of our Company is our in-house research and development ("**R&D**"). Our R&D operations help us attract and retain CDMO customers and grow our branded generic portfolio. We have a dedicated R&D laboratory and pilot equipment located at our manufacturing facility in Baddi, Himachal Pradesh, which is recognized by Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("**DSIR**"). In addition, we are looking to establish a new R&D center in Panchkula, Haryana. Our manufacturing is undertaken at our two manufacturing facilities in Baddi, Himachal Pradesh along with a new facility we are planning in Jammu. See "- *Expansion of our manufacturing capacities*" beginning on page 15 of this Addendum. Our facilities have good manufacturing practices ("**GMP**") certifications from the Health and Family Welfare Department, Himachal Pradesh, in conformity with the format recommended by the World Health Organization (the "**WHO**"), and the certificate of GMP compliance from Food, Medicine and Health Care Administration and Control Authority, Ethiopia.

Our CDMO services and products include commercial large-scale manufacturing of generic products. We also enter into loan license agreements with our customers. Our comprehensive CDMO formulation capabilities allow us to offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as more complex delivery forms such as modified and sustained release forms and tablets in capsules. We also have added products using new technologies like nano technology. Our CDMO product portfolio spans across both acute and chronic therapeutic areas. We manufacture products that are in all the top ten therapeutic areas by sales in the Indian formulation market in Fiscal 2021 as identified by CRISIL Research. including antialzheimer, antiasthmatic and bronchodilator, anticholelithogenic, anticold and antiallergic, antidiabetic, antiemetic, anti-fibrinolytic, anti-fungal, anthelmintic and antiviral, antihyperurecemia and antigout, antimalarial, antiobesity, antioxidants and vitamins, antispasmodic, antiulcerative, anxiolytic, anticonvulsant and antipsychotic, cardiovascular, neurotrophic and NSAIDs and analgesic and antipyretic. *(Source: CRISIL Report, May 2022).* Our number of CDMO products sold has grown by 131.43% from 1,066 in Fiscal 2021 to 2,467 in Fiscal 2023, on a restated consolidated basis.

In our CDMO business, we have developed relationships across the Indian pharmaceutical industry. Some of our key customers include Cipla Limited, Glenmark Pharmaceuticals Limited, Wockhardt Limited, Corona Remedies Private Limited, Emcure Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited. Revenue from our CDMO business on a restated consolidated basis has grown at a 35.36% CAGR from ₹3,708.71 million in Fiscal 2021 to ₹6,795.56 million in Fiscal 2023. Revenue from our CDMO business on a pro forma consolidated basis was ₹6,795.56 million in Fiscal 2023.

Our branded generics business consists of the development, manufacture and distribution of generic formulation products, which are marketed and distributed in India under our own brand names through online and offline channels. Our branded generic products are generic medicines for which the patents have expired, that are sold directly to our distributors, stockists and retailers. We have developed a diversified branded generics product portfolio including tablets, capsules, dry syrups, dry powder injection, ointments and liquid orals. Our products cover the following therapeutic areas:

Cephalosporins	Proton Pump Inhibitor	Anticholinergic and Heparin
NSAIDs, Analgesics and Antipyretic	Anticold and Antiallergic	Antiemetic
Antidiabetic	Antispasmodic	Antifibrinolytic
Cardiovascular	Antioxidant and Vitamins	Antihyperuricemia and Antigout

Fluoroquinolone and Macrolide	Nootropics and Neurotonics / Neurotrophics	Antiulcerative
Antimalarial	Anxiolytic, Anticonvulsant and Antipsychotic	Bladder and Prostate Disorder
Antifungal, anthelmintic and Antiviral	Anticholinergic, Anti-Asthmatic and bronchodilator	Erectile Dysfunction

We sell our domestic branded generic products through our pan-Indian network of distributors, stockists and pharmacies. Our generic drug products are also available online through various e-commerce pharmacy sites. During Fiscal 2021, Fiscal 2022 and Fiscal 2023, revenue from our domestic branded generic business on a restated consolidated basis was nil, ₹370.51 million and ₹1,661.61 million, respectively. Revenue from our domestic branded generic business on a pro forma consolidated basis was ₹1,661.61 million in Fiscal 2023.

We also have an international branded generic product business focused on exports to emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom, and Canada. In Fiscal 2023, we exported branded generics to 20 countries. As of March 31, 2023, we have 94 active product registrations (and 23 registrations subject to renewal) with international authorities and 182 fresh registration applications in process with international authorities. Revenue from our international branded generic business on a restated consolidated basis has grown at a 42.38% CAGR from ₹397.91 million in Fiscal 2021 to ₹806.63 million in Fiscal 2023. Revenue from our international branded generic business on a pro forma consolidated basis was ₹806.63 million in Fiscal 2023.

As of March 31, 2023, we employed a team of 30 scientists and engineers at our R&D laboratory. Our team includes professionals with experience ranging from three months to 27 years. Our R&D laboratory is equipped with a suite of equipment for the development of solid oral and liquid dosage forms which includes rapid mixer granulator/fluid bed processor /compression machine and auto coater. In addition, our analytical lab is also equipped with high pressure liquid chromatography ("**HPLC**"), ultraviolet and dissolution apparatuses, Karl Fischer moisture analyzers, sonicators, disintegration testers, thermal stability units and fume hoods.

We have two manufacturing facilities in Baddi, Himachal Pradesh. According to CRISIL Research, we were ranked third among our peers in terms of our tablet and capsule manufacturing capacity in India. *(Source: CRISIL Report, May 2022).* Set forth below is the total installed capacity and aggregate manufacturing capacity utilization of our Company and the Innova Partnership, on a combined basis (not including Sharon) in Fiscal 2021, Fiscal 2022 and Fiscal 2023.

(in million, save for percentages)

Facilities	**As of, and for the year ended, March 31,**					
	2021		**2022**		**2023**	
	Annual Installed Capacity	**Capacity Utilization (%)**	**Annual Installed Capacity**	**Capacity Utilization (%)**	**Annual Installed Capacity**	**Capacity Utilization (%)**
Tablets	4,239.31	66.49%	5,556.73	54.61%	8,191.59	40.68%
Capsules	1,591.20	60.03%	2,048.16	52.04%	2,472.48	55.49%
Ointments	22.81	76.11%	22.81	56.33%	22.81	63.22%
Dry Powder Injection	60.48	59.13%	60.48	77.27%	60.48	74.01%
Dry Syrup	53.57	30.18%	53.57	53.22%	53.57	52.77%
Liquid Orals	70.99	37.15%	70.99	89.90%	70.99	86.70%

** As certified by Parashar & Co. Chartered Engineer pursuant to their certificate dated September 12, 2023. For the assumptions taken in preparation of these installed capacity and capacity utilization figures, see "- Manufacturing – Capacity, Production and Capacity Utilization" beginning on page 25 of this Addendum.*
*** Not including Sharon for any periods.*

Our manufacturing is efficient, and, according to CRISIL Research, we had the industry's leading fixed asset turnover ratios and returns on capital employed in Fiscal 2021. *(Source: CRISIL Report, May 2022).* In addition, we are planning to construct a new 240,916 sq. ft facility in Jammu, which will include tablets, capsules, dry syrups and injections, as certified by Ravinder K. Sharma & Co. Chartered Accountants. We anticipate to benefit from the New Central Sector Scheme for Industrial Development of Jammu & Kashmir through this upcoming manufacturing facility in Jammu. See "- *Our Strategies*" on page 15 of this Addendum.

Recent Developments

We acquired Sharon, a listed entity undergoing CIRP under the IBC. In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023. Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients ("**APIs**") as well as finished dosages. It also offers contract manufacturing services for pharmaceutical products. Sharon caters to both domestic as well as international markets including Canada, the United Kingdom, Europe, Australia and Central and South America. Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra. As of March 31, 2023, Sharon had 564 employees. We had Nil revenue from Sharon on a restated consolidated basis in Fiscal 2021, Fiscal 2022 and Fiscal 2023. Revenue from Sharon on a pro forma consolidated basis was ₹1,922.16 million in Fiscal 2023. For further information, see "*Acquisition of Sharon Bio Medicine Limited*" on page 18 of this Addendum.

Certain Financial Information

Set forth below are certain financial information in relation to our Company's business for the periods indicated, based on the Restated Consolidated Financial Information and on the Pro Forma Condensed Consolidated Financial Information.

(in ₹ million, except percentages, days and ratios)

	Restated Consolidated Financials(1)			Pro Forma Condensed Consolidated Financial Information(2)
Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2023**
Revenue from operations	4,106.62	8,005.26	9,263.80	11,185.96
Profit for the year	345.00	639.53	679.54	1,011.20
PAT Margin(3)	8.40%	7.99%	7.34%	9.04%
EBITDA(4)	558.57	989.03	1,228.45	1,972.75
EBITDA Margin(5)	13.60%	12.35%	13.26%	17.64%
Capital Expenditure(6)	110.63	768.30	260.99	310.84
Working Capital Days(7)	123	99	99	100
Fixed Asset Turnover Ratio(8)	4.88	5.10	5.37	3.56
Return On Equity(9)	23.82%	30.66%	24.58%	31.06%
Return On Capital Employed(10)	26.54%	23.46%	22.61%	24.04%
Debt-Equity Ratio(11)	0.31	0.95	0.85	1.32

Notes:

(1) Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.

(2) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 105 of this Addendum. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023 as if such acquisition was effective on April 1, 2022.

(3) PAT Margin, a non – GAAP measure, is calculated as profit for the year divided by revenue from operations.

(4) EBITDA, a non – GAAP measure, is calculated as the sum of (i) profit for the year, (ii) total tax expenses, (iii) finance costs and (iv) depreciation and amortization expense.

(5) EBITDA Margin, a non – GAAP measure, is calculated as EBITDA divided by revenue from operations.

(6) Capital Expenditure is calculated as additions to property, plant and equipment during the year plus additions to other intangible assets during the year less the balance of capital work in progress at beginning of the year plus balance of capital work in progress at end of the year.

(7) Working Capital Days is calculated as Working Capital (trade receivables plus inventories plus other current assets minus trade payables minus other current liabilities minus provisions minus current tax liabilities(net)) as at the end of the year multiplied by the number of days in the year (i.e. 365 days) divided by revenue from operations.

(8) Fixed Asset Turnover Ratio, a non – GAAP measure, is calculated as revenue from operations divided by sum of property, plant and equipment as at the end of the year, other intangible assets as at the end of the year and capital work in progress as at the end of the year.

(9) Return On Equity, a non – GAAP measure, is calculated as profit for the year divided by total equity.

(10) Return On Capital Employed, a non – GAAP measure, is calculated as sum of earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(11) Debt-Equity Ratio, a non – GAAP measure, is calculated by dividing total borrowings by total equity. Total borrowings is calculated as the sum of (i) non-current borrowings, and (ii) current borrowings.

For information about Non-GAAP financial measures as set forth in the table above, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators and Non-GAAP Financial Measures*" on page 349 of the Draft Red Herring Prospectus.

Competitive Strengths

We believe that we have the following competitive strengths:

Leading presence and one of the fastest growing CDMOs in the Indian pharmaceutical formulations market

In terms of operating income, we were the second largest formulation CDMO in India in Fiscal 2021 and the third fastest growing formulation CDMO over the period Fiscal 2019 to Fiscal 2021. *(Source: CRISIL Report, May 2022).* According to CRISL Research, the Indian CDMO space has seen traction in the recent times with big pharmaceutical companies preferring to outsource R&D as well as manufacturing activities. *(Source: CRISIL Report, May 2022).* Many of the pharmaceutical players in order to move to asset light model have been outsourcing these activities. *(Source: CRISIL Report, May 2022).* The Indian CDMO market has grown at a rate of approximately 14% in the last five years from Fiscal 2016 to Fiscal 2020, and CRISIL Research expects this trend to continue over the next five years from Fiscal 2021 to Fiscal 2026 with the Indian CDMO market projected to grow at approximately a 14-16% CAGR over the next five years from ₹1,014 billion in Fiscal 2021 to ₹2,000-2,050 billion in Fiscal 2026. *(Source: CRISIL Report, May 2022).* According to CRISIL Research, the CDMO segment growth is expected to be driven by strong demand from outsourcing by big pharma companies both Indian as well as multinational and global companies. *(Source: CRISIL Report, May 2022).* We have positioned our Company to benefit from the growth in the CDMO market by developing strong R&D and manufacturing operations for our customers to support their domestic sales and exports to certain markets.

Our comprehensive CDMO formulation capabilities allow us to offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as capabilities in more complex delivery forms such as modified and sustained release forms and tablets in capsules.

Our CDMO product portfolio spans across both acute and chronic therapeutic areas. We manufacture products that are in all the top ten therapeutic areas by sales in the Indian formulation market in Fiscal 2021 as identified by CRISIL Research. (*Source: CRISIL Report, May 2022*). We manufacture products across some of the key therapeutic areas identified by CRISIL Research, like antialzheimer, antiasthmatic and bronchodilator, anticholelithogenic, anticold and antiallergic, antidiabetic, antiemetic, anti-fibrinolytic, anti-fungal, anthelmintic and antiviral, antihyperurecemia and antigout, antimalarial, antiobesity, antioxidants and vitamins, antispasmodic, antiulcerative, anxiolytic, anticonvulsant and antipsychotic, cardiovascular, neurotrophic and NSAIDs and analgesic and antipyretic. (*Source: CRISIL Report, May 2022*).

Our number of CDMO products sold has grown by 131.43% from 1,066 in Fiscal 2021 to 2,467 in Fiscal 2023 on a restated consolidated basis. In order to maintain our market position, we are continuously expanding our portfolio.

The table set forth below provides our revenue from our CDMO business on a restated consolidated basis and such CDMO revenue as a percentage of revenue from operations on a restated consolidated basis for the years indicated.

Revenue	Fiscal 2021		Fiscal 2022		Fiscal 2023	
	₹ million	% of revenue from operations	₹ million	% of revenue from operations	₹ million	% of revenue from operations
CDMO Business	3,708.71	90.31%	6,866.94	85.78%	6,795.56	73.36%

Well established relationships with our marquee CDMO customer base

In our CDMO business, we have developed strong relationships across the Indian pharmaceutical industry. In Fiscal 2023, we had 182 CDMO customers. Fourteen of the top fifteen Indian pharmaceutical companies that CRISIL Research identified as the largest players in the domestic formulation market in Fiscal 2021 have been a part of our customer base. (*Source: CRISIL Report, May 2022*). Some of our key customers include Cipla Limited, Glenmark Pharmaceuticals Limited, Wockhardt Limited, Corona Remedies Private Limited, Emcure

Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited.

The following table sets forth certain information about customers to which we have provided CDMO services and products on a restated consolidated basis for the years indicated.

(in ₹ million, except percentages and customers)

Particulars	Fiscal 2021[(2)]	Fiscal 2022	Fiscal 2023
Number of CDMO customers[(1)]	119	174	182
Revenue from CDMO customers[(1)]	3,708.71	6,866.94	6,795.56
Revenue from CDMO customers with relationship of 10 years or more[(1)]	1,527.67	2,441.12	2,388.29
Revenue from CDMO customers with relationship between 5 and 10 years[(1)]	1,848.00	3,568.79	3,331.53
Revenue from CDMO customers with relationship of under 5 years[(1)]	333.04	857.03	1,075.74

(1) CDMO relationship period is measured by number of years in which an invoiced order has been placed with us. The base date for the number of years of a relationship has been taken as March 31, 2023.

(2) Due to change in base date from December 31, 2021 (as submitted in the DRHP) to March 31, 2023, the numbers for Fiscal 2021 has undergone change as compared to Fiscal 2021 numbers submitted in the DRHP.

The following table sets forth certain information about our top ten CDMO customers on a restated consolidated basis.

(in ₹ million, except percentages and customers)

Top 10 CDMO customers	Fiscal 2021	Fiscal 2022	Fiscal 2023
Aggregate revenue from such customers	2,022.01	3,341.18	3,825.40
Number of Products manufactured from such customers	435	482	627

We believe the increasing use of outsourcing by pharmaceutical companies has created opportunities for us to build more strategic relationships with our customers. We typically enter into long-term CDMO agreements ranging mostly between two to five years with our customers resulting in predictable and stable cash flows.

Our customer engagements are dependent on us delivering quality products consistently. Our potential customers may require considerable amounts of time to approve us as suppliers to ensure that all their quality controls are met and that we meet all their regulatory requirements across a variety of jurisdictions and multiple regulators. We aim at putting great importance on maintaining our relationships with our top pharmaceutical customers, building our customer base and strengthening our product basket for existing customers. As of March 31, 2023, we had 3 sales and marketing personnel focused on our CDMO business.

Our revenue from our CDMO services and products has historically been derived from a diverse customer base. The following table sets forth the revenue on a restated consolidated basis from our largest customer, top 10 customers and top 20 customers and their contribution to our consolidated restated revenue from operations from our CDMO Business.

(in ₹ millions, except percentages)

Year	Revenue from top 20 customers	Percentage contribution of top 20 customers to revenue from operations from our CDMO Business	Revenue from top 10 customers	Percentage contribution of top 10 customers to revenue from operations from our CDMO Business
Fiscal 2023	4,758.06	70.02%	3,825.40	56.29%
Fiscal 2022	4,191.22	77.61%	3,341.18	61.87%
Fiscal 2021	2,380.93	64.20%	2,022.01	54.52%

Highly efficient operations, including our world class manufacturing facilities and supply chain

We have two manufacturing facilities in Baddi, Himachal Pradesh. Our facilities produce tablets, capsules, dry syrups, dry powder injections, ointments and liquid orals. According to CRISIL Research, we were ranked third among our peers in terms of our finished tablet and capsule manufacturing capacity in India. *(Source: CRISIL Report, May 2022).* Our manufacturing capacity helps us to provide customers with large volumes and satisfy their requirements.

In Fiscal 2021, Fiscal 2022 and Fiscal 2023, the total installed capacity of our Company and the Innova Partnership, on a combined basis (not including Sharon), was of 4,239.31 million, 5,556.73 million and 8,191.59 million tablets, respectively, and 1,591.20 million, 2,048.16 million and 2,472.48 million capsules, respectively, during the same periods. In Fiscal 2021, Fiscal 2022 and Fiscal 2023, the aggregate manufacturing capacity utilization of our Company and the Innova Partnership, on a combined basis (not including Sharon), for tablets was 66.49%, 54.61% and 40.68%, respectively, and for capsules was 60.03%, 52.04% and 55.49%, respectively. For more information, see "- *Manufacturing – Capacity, Production and Capacity Utilization*" on page 25 of this Addendum.

We continuously aim to improve cost-efficiencies and increase productivity in our operations through use of automation in process equipment as well as use of software in capacity and resource planning. We have implemented building management system to control our environment, a fully automated water management system including purified water and water for injection. In the operations, we have an automated contained material handling system which contributes in improving our quality and obtaining higher yield. We also have an electronic camera inspection system, wherever required, to identify and remove defects. In addition, we have integrated auto cartoning and auto collect and shrink machines in our packaging process.

Our manufacturing is efficient, and, according to CRISIL Research, we had the industry's leading fixed asset turnover ratios and returns on capital employed in Fiscal 2021. *(Source: CRISIL Report, May 2022).*

	Restated Consolidated Financials[1]			**Pro Forma Condensed Consolidated Financial Information[2]**
Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2023**
Fixed Asset Turnover Ratio[3]	4.88	5.10	5.37	3.56
Return On Capital Employed[4]	26.54%	23.46%	22.61%	24.04%

(1) Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.

(2) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 105 of this Addendum. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023 as if such acquisition was effective on April 1, 2022.

(3) Fixed asset turnover ratio, a non-GAAP measure, is calculated as revenue from operations divided by sum of property, plant and equipment as at the end of the year, other intangible assets as at the end of the year and capital work in progress as at the end of the year.

(4) Return on Capital Employed, a non-GAAP measure, is calculated as sum of earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

We have also made significant investments in quality management systems and our quality control laboratory information management system to support 'electronic-based' systems in manufacturing and quality controls as well as validation activities which enable us to undertake data analytics and track product level information across the different facilities and teams.

We believe that maintaining a high standard of quality for our products is critical to our brand and continued growth. Across our manufacturing facilities, we have put in place quality management systems and procedures. The quality department of the Company is responsible for ensuring safety, identity, strength, purity, and quality for each product manufactured by effective implementation of pharmaceutical quality system processes, as well as their sequences, linkages and interdependencies. Many of our key customers have audited and approved our facilities and manufacturing processes in the past, which ensures that the regulator and our customers are able to confirm the continuance of quality of our facility and processes. In the past three fiscal years, our facilities were audited 26 times and we had 74 customers' audits. In addition, our facilities have GMP certifications from the

Health and Family Welfare Department, Himachal Pradesh, in conformity with the format recommended by the WHO and Ethiopia. We believe that our GMP certifications and scale of our operations creates a significant barrier to entry for new competitors.

We purchase APIs and other materials such as, excipients from third party suppliers domestically. In addition, we purchase certain APIs from third party international suppliers.

The table set forth below provides our cost of materials consumed and such costs of materials consumed as a percentage of revenue from operations on a restated consolidated basis and a pro forma consolidated basis for the years indicated.

Particulars	**Restated Consolidated Financials(1)**						**Pro Forma Condensed Consolidated Financial Information(2)**	
	Fiscal 2021		**Fiscal 2022**		**Fiscal 2023**		**Fiscal 2023**	
	₹ million	**% of total expenses**	**₹ million**	**% of total expenses**	**₹ million**	**% of total expenses**	**₹ million**	**% of total expenses**
Costs of materials consumed	3,014.60	82.44%	5,736.37	79.93%	6,466.06	76.63%	7,377.66	70.56%

(1) *Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.*

(2) *Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 105 of this Addendum. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023 as if such acquisition was effective on April 1, 2022.*

In addition, we source some of our raw materials internationally. The table set forth below provides the costs of imported raw materials and the costs of such imported raw materials as a percentage of total expenses on a restated consolidated basis and a pro forma consolidated basis for the years indicated.

Particulars	**Restated Consolidated Financials**						**Pro Forma Condensed Consolidated Financial Information**	
	Fiscal 2021		**Fiscal 2022**		**Fiscal 2023**		**Fiscal 2023**	
	₹ million	**% of total expenses**	**₹ million**	**% of total expenses**	**₹ million**	**% of total expenses**	**₹ million**	**% of total expenses**
Imported raw material	299.28	8.18%	838.98	11.69%	538.51	6.38%	678.35	6.49%

We seek to maintain high service standards by sourcing most of our API and other materials from a small core of suppliers with reputations for quality products. We also undertake measures such as assessment questionnaires for suppliers of raw materials to assess quality systems. Our suppliers are selected based on quality, price, cost effectiveness, service levels and adequate staff with sufficient knowledge. We look to de-risk our supplier relationships. Accordingly, we do not have any long-term contracts with our third-party suppliers. Prices are negotiated for each purchase order, and we generally have more than one supplier for each raw material.

Rapidly growing domestic and international export branded generics businesses

Our branded generics business consists of the development, manufacture and distribution of generic formulation products, which are marketed and distributed in India. Our domestic and international export branded generics businesses have been growing rapidly. During Fiscal 2021, Fiscal 2022 and Fiscal 2023, revenue from our domestic branded generic business on a restated consolidated basis was nil, ₹370.51 million and ₹1,661.61 million, respectively. Revenue from our domestic branded generic business on a pro forma consolidated basis was ₹1,661.61 million in Fiscal 2023. According to CRISIL Research, the majority of the Indian pharmaceutical market consists of generic medicines. Branded generics which are generic copies of the original drug with a new brand name and which are sold through various marketing and sales channels. *(Source: CRISIL Report, May 2022)*. Branded generic products are generic medicines, drugs for which the patents have expired and are typically used as a substitute for more expensive branded generic medicines in order to offer affordable medicines to patients by the retailers and pharmacies. *(Source: CRISIL Report, May 2022).* As of Fiscal 2021, branded generics contributed to 95% of the overall generics industry in India. *(Source: CRISIL Report, May 2022).*

We have developed a diversified branded generics product portfolio including tablets, capsules, dry syrups, dry powder injection, ointments and liquid orals.

Our products' strong brand recognition coupled with our long-term relationships and ongoing active engagements with our distributors has helped us expand our product offerings and geographic reach. We also sell certain of our generic drug products online through various e-commerce pharmacy sites. Our sales and marketing team focuses on maintaining our relationships with our distributors, building our retail pharmacy base and launching new products. As of March 31, 2023, we had a total sales and marketing team of over 290 personnel focused on our domestic branded generics business.

In Fiscal 2023, we exported branded generics to 20 countries. We have focused our international branded generic product business on emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom and Canada. As of March 31, 2023, we have 94 active product registrations with international authorities and 182 fresh registration applications in process with international authorities. As of March 31, 2023, we have a strong pipeline of over 116 in-process product dossiers for exports.

Our focus has been on expanding our country approvals and product registrations but also expanding our customer base and volumes sold to existing customers. As of March 31, 2023, we had a total sales and marketing team of 6 personnel focused on our international business.

The table set forth below provides the contribution of our branded generics businesses to revenue from operations on a restated consolidated basis in Fiscal 2021, Fiscal 2022 and Fiscal 2023.

Geography	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**	
	₹ million	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**
Domestic branded generics	0.00	0.00%	370.51	4.63%	1,661.61	17.94%
International branded generics	397.91	9.69%	767.81	9.59%	806.63	8.71%
Total branded generics	**397.91**	**9.69%**	**1,138.32**	**14.22%**	**2,468.24**	**26.65%**

Strong R&D focus to build an increasingly complex product portfolio and attract and retain customers

We are a R&D centric organization, and our R&D operations help us attract CDMO customers and grow our branded generic portfolio. We have a dedicated R&D laboratory and pilot equipment located at our manufacturing facility in Baddi, Himachal Pradesh. Our R&D laboratory is recognized by the DSIR for in-house R&D work. In addition, we are looking to establish a new R&D center in Panchkula, Haryana. Our R&D laboratory is equipped with a suite of equipment for the development of solid oral and liquid dosage forms which includes RMG/FBP/Compression machine and auto coater. In addition, our analytical laboratory is also equipped with HPLC, UV/dissolution apparatuses, Karl Fischer moisture analyzers, sonicators, disintegration testers, thermal stability units and fume hoods.

R&D is critical to maintaining our competitive position, addressing changing consumer trends and industry developments. Accordingly, we aim at increasingly engaging in R&D activities to develop various generic products, manufacturing processes and technologies for diverse therapeutic segments. In particular, our R&D laboratory is focused on developing processes for the manufacture of upcoming patent expired products. We also follow our policy of process validation involving process design based on the knowledge we gain through development and up-scale activities. Thereafter, we run checks for process qualification where we ascertain if the products are capable of reproducible commercial manufacturing.

We aim at using our inhouse R&D to develop different type of capsules, like tablets in capsule and modified and sustained release forms. We are increasingly engaged in R&D activities to develop various generic products, manufacturing processes and technologies for diverse segments. Through our R&D team we are adding products produced by nano technology as well as modified and sustained release and tablets in capsules. We have successfully utilized our R&D capabilities to develop various products, processes and technologies for diverse therapeutic segments. Our R&D has and will continue to assist us in developing newer technologies, delivery systems and manufacturing processes for existing as well as new products, which will help reduce the cost of production, simplify manufacturing processes to improve safety, reduce environmental load and provide us with other growth opportunities.

Complex generic products are hybrid drugs whose authorization depends partly on the results of the tests on the reference medicine and partly on new data from clinical trials and are expected to have same clinical effect and safety profile as the branded drugs. *(Source: CRISIL Report, May 2022).* Complex generic drugs and 'value-added generics' enable the manufacturers and marketeers to provide a differentiated product to the market with improved safety, efficacy and cost. *(Source: CRISIL Report, May 2022).* Through our R&D team we aim to add products produced by nano technology as well as modified and sustained release and tablets in capsules, liquid injectables and Respules (Inhalations solutions) dosage forms.

Nano technology for drug delivery is among the emerging technologies for drug delivery and CDMO players are developing capabilities in this space. *(Source: CRISIL Report, May 2022).* Our R&D has developed a new formulation by drawing ternary phase diagrams and performing various experiments to keep our nano products in nano range (1nm to 200nm) to achieve better absorption as well as stability of drug in formulation. Our first product using nano technology, in liquid suspension dosage form, was commercialized in Fiscal 2022 for the domestic market.

Another emerging area, according to CRISIL Research, is the use of modified release dosage forms. (*Source: CRISIL Report, May 2022).* Modified release dosage forms are formulations where the rate and/or site of release of the active ingredients are different from that of the immediate release dosage form administered by the same route. *(Source: CRISIL Report, May 2022).* Our facilities produce tablets, capsules, dry syrups, dry injections, ointments and oral liquids. We have been developing the technology to produce modified release dosage forms to capture the market demand for these products and enhance our therapeutic advantage in overall product basket.

We have been using our inhouse R&D to develop different type of capsules, like tablets in capsule, tablets with pallets or powder in a capsule. These capsules offer an efficient control of drug release.

Further, we have developed process innovations inhouse including top spray in fluid bed systems in granulation and bottom spray in fluid bed systems in granulation. We have commercialized 43 products in our portfolio since Fiscal 2021.

As part of our quality check system, we also have audit programs such as a change control program, a stability testing program, a calibration program, a compliant system and a reserve sample management program. We use our own R&D resources to develop, optimize and standardize our formulations and manufacturing process, and conduct the required stability testing as well as conduct clinical studies through qualified third-party contract research organizations to obtain the requisite regulatory licenses required to manufacture such complex generic products. Further, the development and manufacturing of complex generic products typically involves a higher degree of expertise and trained manpower and also utilizes higher overall process times which is also reflected higher margins in comparison to conventional products. *(Source: CRISIL Report, May 2022).* In addition, the manufacturing of complex generics provides for higher profitability owing to limited competition with presence of only a few players. *(Source: CRISIL Report, May 2022).* We believe our R&D efforts to develop complex products will not only assist us in attracting and retaining CDMO customers, but also will contribute to branded generics business domestically and exports internationally.

As of March 31, 2023, we employed a team of 30 scientists and engineers at our R&D laboratory. Our team includes professionals experienced in formulation and analytical method development.

Consistent financial performance

We have demonstrated strong growth in terms of revenues and profitability. In terms of operating income, we were the third fastest growing formulation CDMO over the period Fiscal 2019 to Fiscal 2021. *(Source: CRISIL Report, May 2022).*

Our major financial performance indicators are provided below:

(in ₹ million, except percentages, days and ratios)

	Restated Consolidated Financials(1)			Pro Forma Condensed Consolidated Financial Information(2)
Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2023**
Revenue from operations	4,106.62	8,005.26	9,263.80	11,185.96
Sale of Goods and Services outside India *	397.91	767.81	806.63	2,234.83
Sales of Goods & Services outside India (% of Revenue from Operations)	9.69%	9.59%	8.71%	19.98%
Profit for the year	345.00	639.53	679.54	1,011.20
PAT Margin(3)	8.40%	7.99%	7.34%	9.04%
EBITDA(4)	558.57	989.03	1,228.45	1,972.75
EBITDA Margin(5)	13.60%	12.35%	13.26%	17.64%
Capital Expenditure(6)	110.63	768.30	260.99	310.84
Working Capital Days(7)	123	99	99	100
Fixed Asset Turnover Ratio(8)	4.88	5.10	5.37	3.56
Return On Equity(9)	23.82%	30.66%	24.58%	31.06%
Return On Capital Employed(10)	26.54%	23.46%	22.61%	24.04%

Notes:

(1) Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.

(2) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 105 of this Addendum. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023 as if such acquisition was effective on April 1, 2022.

(3) PAT Margin, a non – GAAP measure, is calculated as profit for the year divided by revenue from operations.

(4) EBITDA, a non – GAAP measure, is calculated as the sum of (i) profit for the year, (ii) total tax expenses, (iii) finance costs and (iv) depreciation and amortization expense.

(5) EBITDA Margin, a non – GAAP measure, is calculated as EBITDA divided by revenue from operations.

(6) Capital expenditure is calculated as additions to property, plant and equipment during the year plus additions to other intangible assets during the year less the balance of capital work in progress at beginning of the year plus balance of capital work in progress at end of the year.

(7) Working Capital Days is calculated as Working Capital (trade receivables plus inventories plus other current assets minus trade payables minus other current liabilities minus provisions minus current tax liabilities(net)) as at the end of the year multiplied by the number of days in the year (i.e. 365 days) divided by revenue from operations.

(8) Fixed asset turnover ratio, a non – GAAP measure, is calculated as revenue from operations divided by sum of property, plant and equipment as at the end of the year, other intangible assets as at the end of the year and capital work in progress as at the end of the year.

(9) Return on equity, a non – GAAP measure, is calculated as profit for the year divided by total equity.

(10) Return on Capital Employed, a non – GAAP measure, is calculated as sum of earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

** Excluding duty drawback and export incentives*

As per the credit rating letter dated April 7, 2022, we had a "A2+" short term debt credit rating and a "A-" long term debt credit rating from CARE rating agency. However, following the acquisition of Sharon, our long-term bank facilities have been rated CARE A- (RWN) and our short-term bank facilities have been rated CARE A2+ (RWN). According to CRISIL Research, we had the industry's leading fixed asset turnover ratios and returns on capital employed in Fiscal 2021. *(Source: CRISIL Report, May 2022).*

Experienced promoters and management team

We are led by a qualified and experienced management team that we believe has the expertise and vision to manage and grow our business. Our promoter and co-founder, Mr. Manoj Kumar Lohariwala, is our Chairman and Whole-time Director, with approximately 25 years' industry experience in the field of manufacturing and marketing of pharmaceutical products. Our promoter and co-founder, Mr. Vinay Kumar Lohariwala, is our Managing Director with approximately 20 years' industry experience in the field of manufacturing and marketing of pharmaceutical products. In addition to our Promoters, our senior management team is also very experienced in the pharmaceutical industry, many of whom have worked in multi-national companies in the past and possess a range of qualifications, including graduate and post-graduate degrees in science and pharmacy. We believe that the knowledge and experience of our Promoters, along with senior management, and our team of dedicated personnel provide us with a significant competitive advantage as we seek to expand into new products, grow our existing markets and enter new geographic markets.

Further, we are supported by our technically qualified employee team who possess a range of qualifications, including graduate and post-graduate degrees in science and pharmacy. Our employee base was over 1,600 employees as of March 31, 2023 (not including Sharon). Our position as the second largest pharmaceutical formulation CDMO represents a significant competitive advantage in attracting and retaining high-quality scientists required to successfully differentiate our service and product offerings from those of other CDMOs.

Our Strategies

We have adopted the following key business strategies:

Expansion of our manufacturing capacities

CDMOs are considered an important and growing part of the pharmaceutical value chain. *(Source: CRISIL Report, May 2022).* The CDMO market in India is competitive and, hence, differentiation is important to remain competitive in the market. According to CRISIL Research, players with differentiated technologies, offering complex manufacturing and having high barriers to entry and higher regulatory compliance enjoy higher growth and higher margins as compared to their peers. *(Source: CRISIL Report, May 2022).*

The Indian CDMO market has grown at a rate of approximately 14% in the last five years from Fiscal 2016 to Fiscal 2020, and CRISIL Research expects this trend to continue over the next five years from Fiscal 2021 to Fiscal 2026 with the Indian CDMO market projected to grow at approximately a 14-16% CAGR over the next five years from ₹1,014 billion in Fiscal 2021 to ₹2,000-2,050 billion in Fiscal 2026. *(Source: CRISIL Report, May 2022).*

According to CRISIL Research, out of the approximately ₹1.47 trillion domestic formulations market in Fiscal 2021, oral solids dominated with an approximate 64% share in terms of value and volume as of Fiscal 2021 and the injectables segment constituted 14-15% of all dosage forms catered by domestic formulations industry in Fiscal 2021. *(Source: CRISIL Report, May 2022).*

By expanding our manufacturing capacity in these areas, we will be able to expand our product offering in both our CDMO and our branded generic businesses. Accordingly, we are planning to construct a new 240,916 sq. ft facility in Jammu, which will include tablets, capsules, dry syrups and injections. The estimated total project cost for this new manufacturing facility at Jammu is ₹3,551.72 million, as certified by Ravinder K. Sharma & Co. Chartered Accountants. We have also acquired the necessary land to build this new facility. We anticipate benefitting from the New Central Sector Scheme for Industrial Development of Jammu & Kashmir through this upcoming manufacturing facility in Jammu. Under this scheme, the GoI offers companies registered under the scheme a capital investment incentive, a capital interest incentive, a goods and service tax incentive and a working capital interest incentive.

As on July 31, 2023, we have made the following progress on construction of our new Jammu Facility:

- Land has been acquired and possession has been taken;
- Construction is ongoing;
- Orders for plant and machinery are ongoing;
- Construction contracts are being finalized;
- Purchase orders for plant, equipment and other fixed assets, both imported and indigenous, amounting to ₹2,671.36 million have been placed;
- An amount of ₹1,238.48 million has already been incurred on the project out of which ₹458.14 million has funded by through our internal accruals and the remaining ₹780.34 million has been disbursed by HDFC bank out of the term loan of ₹2,300 million sanctioned for the Jammu Facility;
- Out of the purchase orders placed for imported machinery and equipment, two sets of blow fill seal machines having invoice value of CHF 6.34 million (₹619.42 million) have been shipped to the facility;
- Acknowledgment of our intent to establish a manufacturing enterprise has been received from the office of the General Manager of District Industries Centre, Kathua;
- GST registration has been received;

- Consent to Establish received from the Jammu and Kashmir State Pollution Control Board.

Under construction site of the Jammu facility as on July 23, 2023.

Integration of the acquired Sharon business

We acquired Sharon, a listed entity undergoing CIRP under the IBC. Sharon is engaged in the business of manufacturing of intermediates and APIs and also offers contract manufacturing services for pharmaceutical products. Sharon caters to both domestic as well as international markets including Canada, the United Kingdom, Europe, Australia and Central and South America. Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra.

Through the integration process, we are aiming to

- achieve backward integration of Sharon's API business,
- add a dimension of toxicology business to our business value chain,
- enhance access to regulated international markets through additional accreditations; and
- increase our international business markets and customers.

Expand the wallet share of existing customers and develop new customers

We aim to expand our business with existing customers and to develop new customers. We aim to increase the formulations manufactured for our existing customers through us by leveraging our inhouse R&D and large-scale manufacturing capabilities. Further, we aim to build additional business from our existing customers by the expansion of our portfolio into new products and more complex dosages as well as the expansion of our manufacturing capacities. For example, our number of CDMO products sold has grown by 131.43% from 1,066 in Fiscal 2021 to 2,467 in Fiscal 2023, on a restated consolidated basis. Such expansion will also help us develop new customers as we are able to service a wider and deeper set of requirements of such customers.

Our customer relationships are longstanding. We had 239 customers in aggregate in Fiscal 2021, Fiscal 2022 and Fiscal 2023, on a restated consolidated basis, and we have enjoyed business relationships of more than five years with 45.19% of these customers. We added 95 customers in aggregate in Fiscal 2021, Fiscal 2022 and Fiscal 2023, on a restated consolidated basis.

Some of our key customers include Cipla Limited, Glenmark Pharmaceuticals Limited, Wockhardt Limited, Corona Remedies Private Limited, Emcure Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet

Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited. We believe that the relationships that we have enjoyed with our customers over the years are an indication of our position as a preferred supplier. We believe that our continuing R&D endeavours and our reputation for quality and timely delivery will help us to increase our wallet share and product portfolio with existing customers.

We have a sales and marketing team. As of March 31, 2023, we had a total sales and marketing team of 300 personnel. We have a sales and marketing office in Panchkula, Haryana. In addition, as of March 31, 2023, we had a team of 6 sales personnel to assist our international sales and marketing efforts.

We intend to use our reputation and brand in our CDMO business to expand our customer base for our new products. Further, our R&D has played a key role in the expansion of our commercialized product portfolio increased from 18 products in Fiscal 2021 to 18 products in Fiscal 2022 to 7 products in Fiscal 2023. We believe that our R&D capabilities for new products will be significant in attracting new customers to our business.

Continued focus on our R&D operations

Our R&D operations is the growth engine for our business, and we will continue to focus on expanding our research activities for our CDMO and branded generic businesses. In Fiscal 2024, we have 72 new therapeutic generic products in the development stage and expect that 30 new generic products will be commercialized in Fiscal 2024. Accordingly, we endeavor to keep R&D expenditure at current levels and will continue to invest in R&D capital expenditure. For example, we have been focused on nano technology, modified and sustained release dosage forms, liquid injectables and respules (inhalations solutions).

As March 31, 2023, we have 182 fresh registration applications in process internationally. Further, as of March 31, 2023, we had begun preliminary research on over 12 formulations that had gone (or are going) off patent.

We are also looking to expand the capacity of our R&D laboratories. In addition, we are looking to establish a new R&D center in Panchkula, Haryana. We have already acquired land for the same. The new R&D center will be equipped with advanced equipment and instruments and will focus on the development of generic and complex generic products.

Growing our international export business

In Fiscal 2023, we exported generic products to 20 countries. We have focused our international branded generic business on emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom and Canada. As of March 31, 2023, we have 94 active product registrations (and 23 registration subject to renewal) with international authorities and 182 fresh registration applications in process with international authorities.

CRISIL Research expects India’s formulation exports to increase at a 6-8% CAGR from Fiscal 2021 to Fiscal 26, compared to an approximate 8-9% CAGR over the previous five years. (*Source: CRISIL Report, May 2022*).

Our strategy is also to expand our exports to developed markets like the United Kingdom, and Canada. We are currently working with customers in Canada, and the UK to obtain product approvals. For example, in Canada, we are working with a pharmaceutical company to develop various products which we will manufacture and our partner will market. Our R&D team is working with our partner to develop drugs which we aim to submit to the concerned regulatory authority. In addition, in Canada, through the technology transfer route, we are looking to manufacture two products in solid dosage form. The products are waiting for regulatory clearance. In the United Kingdom, through technology transfer route, we are introducing three new products in both solid as well as dry powder injection dosage form for the UK market. The products are waiting for regulatory clearance. We are currently developing six product formulations for the European market. We have completed a submission batch manufacturing (exhibit batch) to The European Medicines Agency (EMA) for two of these products.

In addition, we aim to continue expand our range of generic products to meet the requirements of the markets we cater to. As of March 31, 2023, we had a total sales and marketing team of 6 personnel focused on our international business and we plan to increase our marketing efforts to pharmaceutical companies in our target market countries. Our sales and marketing efforts will be focused on attending international trade fairs and exhibitions; frequent country visits by our marketing team, showcasing our manufacturing facilities and marketing our international product dossier and data.

Expanding our domestic branded generics business

According to CRISIL Research, the domestic formulations segment (consumption) is expected to grow at an approximate 10-12% CAGR over the next five years from Fiscal 2021 to Fiscal 2026 driven by strong demand in generic segment. *(Source: CRISIL Report, May 2022).* The domestic formulations demand is expected to reach ₹2.6-2.7 trillion by Fiscal 2026. *(Source: CRISIL Report, May 2022).*

In Fiscal 2023, we marketed our domestic branded generics business through a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies across India. We aim to grow our pan-Indian network to include more retailers and expand our geographic reach. To that end, we are employing a sales and marketing field team to expand our distributor, stockist and retailer relationships and support our new generic product launches. As of March 31, 2023, we had over 290 marketing representatives, and we look to further expand our team during Fiscal 2024. In addition, we plan to expand our target-based incentive schemes to boost sales from our distributors and we also aim to attract new retailers by continuous engagement.

Growth through strategic acquisitions

We will look to capitalize on the growth in the pharmaceuticals market in India by pursuing strategic acquisitions with a focus on backward integration or expansion of capabilities in terms of capacity or products. In particular, we will look for targets with R&D and manufacturing assets that are in line with our existing or desired competencies as well as having the profitability metrics that fit in with our business philosophy. We also will look for opportunities to acquire businesses to add additional pharmaceutical, chemistry or technological competencies or to expand our product portfolio into new brands, new dosage capabilities or enter therapeutic segments where we are currently not present (for example, liquid injectables, hormones and oncology products). In addition, we will look for targets that present backward integration opportunities that could improve our supply chain efficiency, working capital and reliability of raw material procurement. Further, we are focused on identifying acquisition targets that have natural synergies with our business and that will benefit from our management expertise, our R&D and manufacturing competencies and the scale of our pan-Indian distribution network.

Acquisition of Sharon Bio Medicine Limited ("Sharon")

Sharon is engaged in the business of manufacturing of intermediates and API as well as finished dosages. It also offers contract manufacturing services for pharmaceutical products. Sharon caters to both domestic as well as international markets including Canada, the United Kingdom, Europe, Australia and Central and South America. Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra. As of March 31, 2023, Sharon had 564 employees. We had Nil revenue from Sharon on a restated consolidated basis in Fiscal 2021, Fiscal 2022 and Fiscal 2023. Revenue from Sharon on a pro forma consolidated basis was ₹1,922.16 million in Fiscal 2023.

Sharon engages in commercial manufacturing of generic products including (i) formulation generic products and (ii) APIs and intermediates for generic formulations. Sharon enters contract manufacturing agreements with its customers. Sharon offers its customers solid oral dosage forms, including tablets and capsules. Sharon's major formulation products include paracetamol tablets, famciclovir tablets, trazodone IR and MR tablets, Celecoxib capsules, Loperamide capsules, Ezetimibe tablets and Azithromycin tablets. Sharon also manufactures APIs and intermediates in key therapeutic areas including cardio-vascular, anti-fungal, anti-diabetic, muscle relaxant and anti-psychotic. Sharon's major API and intermediate products were Eperisone Hydrochloride, Trimetazidine Hydrochloride, Miconazole Nitrate, Ketoconazole and Nifedipine. Also, three API products are vertically integrated to formulations, which comprise Aripiprazole, Memantine Hydrochloride and Trazodone Hydrochloride.

The table set forth below sets forth the contribution of Sharon's branded generics businesses to Sharon's revenue from operations in Fiscal 2021, Fiscal 2022 and Fiscal 2023.

Fiscal 2023 – Sharon Revenue from Operations

(in ₹ million)

Category	Formulation	API	CRO Services(1)	Total
Domestic	283.55	162.78	27.86	474.19
Exports (including duty drawback and export incentives)	948.76	385.86	113.35	1,447.96
Total	**1,232.31**	**548.64**	**141.20**	**1,922.16**

1) *CRO services performed at Sharon's R&D Sanctuary.*

In Fiscal 2023, Sharon formulation sales were mainly exports to Canada, the United Kingdom, Europe, Australia and Central and South America. Major formulation customers of Sharon included global and regional pharmaceutical companies. In Fiscal 2023, Sharon's APIs and intermediates sales included domestic sales to customers and exports sales to customers primarily located in Europe, Korea and Vietnam.

Sharon also has established Sa-ford, a sanctuary for Research and Development ("**Sa-Ford**" or the "**R&D Sanctuary**"), which is Sharon's initiative towards building a contract research organization. Sa-Ford also offers services in the areas of chemistry (physico-chemical characterization, 5-batch analysis and analytical method development). Sharon's R&D Sanctuary has its footprints across the globe including south east Asia, Europe and Australia. As of March 31, 2023, Sharon's Research and Development department consists of 70 employees.

Sharon has two manufacturing facilities located in Dehradun, Uttarakhand and Taloja, Maharashtra and a research facility at Taloja, Maharashtra. In Fiscal 2023, for Dehradun Facility (Formulation), the total installed capacity was of 2,012.10 million tablets and capsules and for Taloja facility (API), the total installed capacity was of 313.31 metric tonne. In Fiscal 2023, for Dehradun Facility (Formulation), the manufacturing capacity utilization of tablets & capsules was 48 % and for Taloja facility (API), the manufacturing capacity utilization was 49.60%.

Assumptions:

Following assumptions and estimates has been made by the management and taken into account / verified by Parashar & Co., Chartered Engineer, while certifying the details above:

Formulation division:

1. The installed capacity of the manufacturing facilities of Sharon has been calculated by using the equipment manufacturer's rated maximum capacity for an installed equipment and adjusting it at a specific of rated maximum capacity, considering Operation Feasibility and to avoid M/c breakdown, product and personnel safety including down time between any batches due to product change over related equipment cleaning, scheduled breaks are taken into account to calculate the installed capacity during the year/ period.

2. Industry players use different methodology for installed capacity and capacity utilization in accordance with their business model. The assumptions and estimates taken into account include that each manufacturing facility of Sharon operates for 312 days in a year in two daily shifts for installed capacity as notional capacity for capacity utilization. This methodology is consistent with industry practice.

3. Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing units of Sharon as of at the end of the relevant period.

API division:

1. The Installed capacity has been calculated based on the available reaction hrs to produce existing product mix. Reaction hrs has been worked after considering Holidays, Preventive maintenance, cleaning time between 2 batches and due to product change over. Installed capacity has been worked based on bottle neck out of various stages production. Installed capacity includes both Intermediate and Finished stages production

2. Industry players use different methodology for installed capacity and capacity utilization in accordance with their business model. The assumptions and estimates taken into account include that manufacturing

facility of Sharon operates for 275 days in a year on continuous basis for installed capacity as notional capacity for capacity utilization.

3. Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing units of Sharon as of at the end of the relevant period.

Location	Commissioning Date (1)	Constructed Area (sq mts)	Leased/ Owned	Headcount (2)	Proximities	Product Lines
Dehradun, Uttarakhand	2007	11,000	Owned	288	Rail: 25 Kms Port: 50 Kms	Formulation generic products
Taloja, Maharashtra	2009	6,500	Leased for 95 years from August 1, 1991	156	Rail: 20 Kms Port: 50 Kms	API and intermediates
Taloja Maharashtra	2008	1,164	Leased for 95 years from May 1, 1995	77	Rail: 20 Kms Port: 50 Kms	Toxicology and Chemistry services

(1) Calendar year of commissioning of the facility.
(2) Permanent employees as of March 31, 2023.

Sharon's Dehradun facility is able to carry out flexible batch sizes for Oral Solid Dosage for formulations ranging from 30 kg to 2000 kg. The Dehradun facility has 5 lines of wet granulation and 1 line of dry granulation, 7 compression lines, 1 capsule filling line (with capacity of 150,000 per hour), automated coaters, automated packaging machines and a 2D barcode facility for EU exports. The Dehradun facility is also equipped with chromatography (liquid, gas, ion, thin layer), particle analyzer IR & UV spectrophotometer, atomic absorption spectrophotometer, viscometer, dissolution test apparatus, stability chambers, incubators and autoclaves.

Sharon's Dehradun facility has received a GMP certificate from Food Safety and Drugs Administration Authority, Dehradun. The Dehradun facility's power is sourced through the local state power grid and its own generators.

Sharon's Taloja facility has three independent manufacturing, powder processing and finishing lines capable of handling batches from low pilot scale to as high as 750 kg sizes. The Taloja facility has glass line reactors (80 ltrs to 4000 ltrs), 14 stainless steel reactors, 2 MSGL reactors and 18 air handling units. The Taloja facility is also equipped with chromatography (liquid, gas, ion, thin layer), stability chambers, incubators and autoclaves. It is equipped with its own boilers, 1200 KVA transformer, back-up generators, cooling towers and air compressors. The Taloja facility has received the GMP certificate from Food and Drugs Administration, Maharashtra in the format recommended by WHO and was last inspected by US FDA in February with establishment inspection report closed in April 2019.

Sharon's R&D Sanctuary at Taloja is a contract research facility. The facility has the maximum housing capacity of approximately 8000 animals which comprises of rats, rabbits, guinea pigs, mice, birds and fishes. The facility has accreditation from AAALAC (Association for Assessment and Accreditation of Laboratory Animal Care) International. The facility is registered for research for commercial purpose and in-house breeding of small animals with Committee for the purpose of Control and Supervision of Experiments on Animals (CPCSEA) of India. It has also constituted the Institutional Bio-safety Committee (IBSC) which includes a nominee from the GoI's Department of Biotechnology which is mandatory for organisations which carry out or are engaged in research activities involving genetic manipulation of genetic materials, microorganisms, plants or animals.

Sharon has its own warehouse facilities, and uses third-party logistics providers for the transportation of its products and/or raw materials.

As of March 31, 2023, Sharon had 564 employees. The Taloja facility (manufacturing intermediaries and API workers) has two recognised trade unions with long term settlements in place until December 2024, and the Taloja facility (toxicology R&D workers) have two recognised trade unions with long term settlements in place until May 2024.

Our Business

We have three businesses: (i) CDMO services and products, (ii) domestic branded generics and (iii) international branded generics.

The table set forth below sets forth our revenue from operations by business and as a percentage of revenue from operations on a restated consolidated basis and a pro forma consolidated basis for the years indicated.

Business Area	**Restated Consolidated Financial Information**						**Pro Forma Condensed Consolidated Financial Information**	
	Fiscal 2021		**Fiscal 2022**		**Fiscal 2023**		**Fiscal 2023**	
	₹ million	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**
CDMO services and products*	3,708.71	90.31%	6,866.94	85.78%	6,795.56	73.36%	6,795.56	60.75%
Domestic branded generics	0	0.00%	370.51	4.63%	1,661.61	17.94%	1,661.61	14.85%
International branded generics	397.91	9.69%	767.81	9.59%	806.63	8.71%	806.63	7.21%
Sharon	0	0.00%	0	0.00%	0	0.00%	1,922.16	17.18%
Revenue from Operations	**4,106.62**	**100.00%**	**8,005.26**	**100.00%**	**9,263.80**	**100.00%**	**11,185.96**	**100.00%**

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 105 of this Addendum. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023 as if such acquisition was effective on April 1, 2022.

* *Including incentives and scrap sales*

CDMO services and products

Our CDMO services and products include commercial large-scale manufacturing of generic products. We aim to deliver customized and efficacious generic products to our customers. Thereafter, we purchase APIs and other materials such as, excipients from third party suppliers domestically. In addition, we purchase certain APIs from third party international suppliers. After manufacturing, the focus shifts to packaging and then distribution and marketing.

CDMO product portfolio

Our comprehensive CDMO formulation capabilities allow us to offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as capabilities in more as well as more complex delivery forms such as modified and sustained release forms and tablets in capsules. We also have added products using new technologies like nano technology.

CDMO Agreements

Our CDMO agreements are typically long-term in nature where the validity of the contract usually ranges between two to five years, with the option of renewal on mutually agreed terms. Our CDMO agreements with our customers typically (i) provide that the quality, quantity and specifications for the products shall be approved by the customer and be in accordance with the requirements specified in the relevant agreements; (ii) require us to be responsible for the procurement of raw materials and packaging materials in accordance with the specifications provided by the customer and in certain cases, the vendor shall be approved by the customer; and (iii) provide that the pricing and supply terms shall be mutually agreed upon between the customer and us, and in accordance with the purchase orders placed.

In addition, certain of our agreements require customers to provide periodic forecasts and estimates indicating the quantities of the product they intend to purchase, however, certain portions of such forecasts and estimates are non-binding in nature. Our CDMO agreements also typically provide the customer the right to return/ reject the product in case it fails to meet the specified specifications within a stipulated timeframe and we are responsible to replace such products free of any additional cost within a stipulated timeframe along with providing indemnity to the customer for losses arising from breach of obligations, quality, contents, characteristics of the products and manufacturing defect. In cases of recall of the product manufactured by our Company, our CDMO agreements typically require us to bear all the expenses and costs of such recall either upfront or by way of deduction from our bills. Further, our CDMO customers are typically provided the right to audit our manufacturing facilities, processes or systems, under such agreements, by providing a certain amount of notice. In certain CDMO agreements, our CDMO customers have the right to subject our products to quality control assessments either by themselves or by independent testing authorities, and in case the defect is attributable to us, we are required to recall the products at our own cost and expenses. In addition, in respect of intellectual property under the respective agreements, certain CDMO agreements specifically provide that the trademark is owned by the customer and certain CDMO agreements specifically provide that the trademark is owned by the customer and some agreements provide that we will be required to indemnify the customers in case of third-party infringements. Certain CDMO agreements also allow our customers to opt for terminating the agreement with our Company if there is any change in control or management of our Company. Also, see, "*Risk Factors - Our CDMO agreements impose several contractual obligations upon us. If we are unable to meet these contractual obligations and/or our customers perceive any deficiency in our service we may face legal liabilities and consequent damage to our reputation which may in-turn adversely impact our business, results of operations and financial condition*" on page 39 of the Draft Red Herring Prospectus.

Domestic Branded Generics

Our domestic branded generics business consists of generic products, which are marketed, distributed and promoted in India under our own brand names and manufactured by us. Our branded generics business consists of the development, manufacture and distribution of generic formulation products, which are marketed and distributed in India. According to CRISIL Research, the Indian pharmaceutical market is dominated by branded generics which are generic copies of the original drug with a new brand name and which are sold through various marketing and sales channels. *(Source: CRISIL Report, May 2022).* Branded generic products are generic medicines, drugs for which the patents have expired and are typically used as a substitute for more expensive branded generic medicines in order to offer affordable medicines to patients by the retailers and pharmacies. *(Source: CRISIL Report, May 2022).* We commenced our branded generics with a strategic intention to capitalize on the market opportunity presented by India's unmet need of affordable and quality medicines.

We offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as capabilities in more complex delivery forms such as modified and sustained release forms and tablets in capsules. We also have added products using new technologies like nano technology. Our products cover the following therapeutic areas:

Cephalosporins	Proton Pump Inhibitor	Anticholinergic and Heparin
NSAIDs, Analgesics and Antipyretic	Anticold and Antiallergic	Antiemetic
Antidiabetic	Antispasmodic	Antifibrinolytic
Cardiovascular	Antioxidant and Vitamins	Antihyperuricemia and Antigout
Fluoroquinolone and Macrolide	Nootropics and Neurotonics / Neurotrophics	Antiulcerative
Antimalarial	Anxiolytic, Anticonvulsant and Antipsychotic	Bladder and Prostate Disorder
Antifungal, anthelmintic and Antiviral	Anticholinergic, Anti-Asthmatic and bronchodilator	Erectile Dysfunction

International Branded Generics

In Fiscal 2023, we exported branded generic products to 20 countries. We have focused our international branded generic product business on emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom and Canada. As March 31, 2023, we have 94 active product registrations (and 23 registration subject to renewal) with international authorities and 182 fresh registration applications in process with international authorities.

As of March 31, 2023, we had international accreditations in the markets set forth below, and in most of these markets our manufacturing facilities are audited by the applicable authority.

Accreditation Authority	Country	Status
Food, Medicine and Health Care Administration and Control Authority	Ethiopia	Audited
Tanzania Medicine and Medical Devices Authority	Tanzania	Renewal application made
National Drug Authority	Uganda	Audited
Medical Technology and Supplies (Drug Regulatory Authority)	Sri Lanka	Site Registered

Customers

Our CDMO business caters to the Indian pharmaceutical companies, our domestic branded generic products businesses caters to the end-user market through a strong network of distributors, stockists and retail pharmacies; and our international business caters to pharmaceutical companies and international distributors.

We believe that our operational track record in successful delivery of products, R&D, quality and technical standards and productivity has facilitated the strengthening of our customer base and helped us in expanding our product and service offerings as well as geographic reach. Our ability to maintain our track record helps strengthen trust and engagement with our customers, which enhances our ability to retain them and extend our engagement.

CDMO customers

In our CDMO business, we have developed relationships across the Indian pharmaceutical industry. In Fiscal 2023, we had 182 CDMO customers. Fourteen of the top fifteen Indian pharmaceutical companies that CRISIL Research identified as the largest players in the domestic formulation market in Fiscal 2021 have been a part of our customer base. (*Source: CRISIL Report, May 2022*). Some of our key customers include Cipla Limited, Wockhardt Limited, Glenmark Pharmaceuticals Limited, Corona Remedies Private Limited, Emcure Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited.

The following table sets forth the number of domestic customers on a restated consolidated basis to which we have provided CDMO services and products in the periods indicated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023
Number of CDMO customers	119	174	182

For more information, see "- *Competitive Strengths - Well established relationships with our marquee CDMO customer base"* on page 8 of this Addendum.

Domestic branded generics distribution

Our branded generics business is diversified, and we are not dependent on a small number of distributors. In Fiscal 2023, we sold our branded generic products through a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies across India. Our pan-Indian reach, we believe gives us a competitive advantage over smaller players. Our products' strong brand recognition coupled with our long-term relationships and engagements with our distributors has helped us expand our product offerings and geographic reach.

International exports

We export generic products to emerging and semi-regulated international markets. In Fiscal 2023, we exported generic products to 20 countries. We have focused our international branded generic product business on emerging and semi-regulated international markets but are expanding our business to regulated markets like the United Kingdom and Canada.

Research and Development

The foundation of our Company is our in-house research and development. We have a dedicated R&D laboratory and pilot equipment located at our manufacturing facility in Baddi, Himachal Pradesh. Our R&D laboratory is recognized by DSIR for in-house R&D work. In addition, we are looking to establish a new R&D center in Panchkula, Haryana, as well as a new facility in Jammu.

As of March 31, 2023, we employed a team of 30 scientists and engineers at our R&D laboratory. Our team includes professionals experienced in formulations development and analytical method development. With a view to further strengthen our R&D capabilities, we aim to appoint scientists of varied experience and expertise at our R&D laboratory with an objective to successfully implement our strategy of early identification of development and manufacturing opportunities.

Our R&D laboratory is equipped with a suite of equipment for the development of solid oral and liquid dosage forms which includes RMG/FBP/Compression machine and auto coater. In addition, our analytical laboratory is also equipped with HPLC, UV/dissolution apparatuses, Karl Fischer moisture analyzers, sonicators, disintegration testers, thermal stability units and fume hoods. Our R&D has played a key role in the expansion of our commercialized product portfolio. We have successfully developed through our inhouse R&D products in the categories of immediate release, super bioavailability capsules, and nano size formulation for increased bioavailability. We also have experience in handling CDMO and loan license projects.

Manufacturing

We have two manufacturing facilities in Baddi, Himachal Pradesh. Our facilities produce tablets, capsules, dry syrups, dry injections, ointments and oral liquids.

A description of the manufacturing facilities is set forth below.

Facility Name	Address	Commissioning Date	Land Area (in square Meters)	Owned/ leased	Type of Products Produced
Unit 1	81-A and 81-B EPIP, Phase-1, Jharmajri, District Solan, Baddi 174 103, Himachal Pradesh	October 18, 2006	4,000	Leased	Tablets, capsules, and ointments.
Unit 2-C	1281/1, Hilltop Industrial Estate, Phase-I, Jharmajri, District Solan, Baddi 174 103, Himachal Pradesh	March 31, 2010	26,980	Owned	Tablets, capsules, dry powder injections and dry syrup.
Unit 2-G	1281/1, Hilltop Industrial Estate, Phase-I, Jharmajri, District Solan, Baddi 174 103, Himachal Pradesh	July 1, 2017		Owned	Tablets, capsules, liquids orals and dry syrups.
Total		-	**30,980**	-	-

Our manufacturing facilities are equipped with modern machinery and equipment which enable us to produce our products like rapid mixer granulators, fluidized bed processors, square cone/octagonal blenders, compression machines, auto-coaters, automatic capsule filling machined, liquid manufacturing tanks, fully automatic liquid sealing and filling machine, rotary vial washing machines, sterilization and depyrozenation machines, dry injection powder filling and bunging machines, serialization and tamper evident machines, auto-cartonators (automatic cartoning machines), bung processor cum steam sterilization machines and autoclave cum steam sterilization machines.

Our facilities are ISO 9001:2015 (quality management system) certified. Our facilities have GMP certifications from the Health and Family Welfare Department, Himachal Pradesh, in conformity with the format recommended by the WHO and Ethiopia.

Capacity, Production and Capacity Utilization

In Fiscal 2021, Fiscal 2022 and Fiscal 2023, the total installed capacity of our Company and the Innova Partnership, on a combined basis (not including Sharon) , was of 4,239.31 million, 5,556.73 million and 8,191.59 million tablets, respectively, and 1,591.20 million, 2,048.16 million and 2,472.48 million capsules, respectively, during the same periods. In Fiscal 2021, Fiscal 2022 and Fiscal 2023, the aggregate manufacturing capacity utilization of our Company and the Innova Partnership, on a combined basis (not including Sharon), for tablets was 66.49%, 54.61% and 40.68%, respectively, and for capsules was 60.03%, 52.04% and 55.49%, respectively.

The following tables sets forth information relating to the installed capacity, actual production and capacity utilization of our Company and the Innova Partnership, on a combined basis, at our two manufacturing facilities for the period indicated. The following tables do not include any capacity, actual production or capacity utilization for Sharon.

Facility/Dosage forms	**As of and for year ended March 31,**		
	2023	**2022**	**2021**
Unit 1 Tablets			
Installed capacity (million)(1)	1,157.07	1,157.07	1,157.07
Actual production (million)	833.69	817.98	855.46
Capacity Utilization (%)(2)	72.05	70.69	73.93
Unit 1 Capsules			
Installed capacity (million) (1)	367.20	367.20	367.20
Actual production (million)	211.72	256.62	237.27
Capacity Utilization (%)(2)	57.66	69.89	64.62
Unit 1 Ointments			
Installed capacity (million) (1)	22.81	22.81	22.81
Actual production (million)	14.42	12.85	17.36
Capacity Utilization (%)(2)	63.23	56.33	76.11
Unit 2-C Tablets			
Installed capacity (million) (1)	762.05	762.05	762.05
Actual production (million)	409.56	322.62	254.77
Capacity Utilization (%)(2)	53.74	42.34	33.43
Unit 2-C Capsules			
Installed capacity (million) (1)	367.20	367.20	367.20
Actual production (million)	52.15	82.95	46.36
Capacity Utilization (%)(2)	14.20	22.59	12.63
Unit 2-C Dry Powder Injection			
Installed capacity (million) (1)	60.48	60.48	60.48
Actual production (million)	44.76	46.73	35.76
Capacity Utilization (%)(2)	74.01	77.27	59.13

Facility/Dosage forms	As of and for year ended March 31,		
	2023	2022	2021
Unit 2-C Dry Syrup			
Installed capacity (million) [(1)]	29.38	29.38	29.38
Actual production (million)	25.78	26.63	15.34
Capacity Utilization (%)[(2)]	87.75	90.64	52.21
Unit 2-GTablets			
Installed capacity (million) [(1)]	6,272.47	3,637.61	2,320.19
Actual production (million)	2,089.39	1,893.70	1,708.36
Capacity Utilization (%)[(2)]	33.31	52.06	73.60
Unit 2-G Capsules			
Installed capacity (million) [(1)]	1,738.08	1,313.76	856.80
Actual production (million)	1,108.17	726.22	671.61
Capacity Utilization (%)[(2)]	63.76	55.25	78.39
Unit 2-G Liquid Orals			
Installed capacity (million) [(1)]	70.99	70.99	70.99
Actual production (million)	61.55	63.82	26.37
Capacity Utilization (%)[(2)]	86.70	89.90	37.15
Unit 2-G Dry Syrup			
Installed capacity (million) [(1)]	24.19	24.19	24.19
Actual production (million)	2.49	1.88	0.83
Capacity Utilization (%)[(2)]	10.29	7.77	3.43
Overall Tablets			
Installed capacity (million) [(1)]	8,191.59	5,556.73	4,239.31
Actual production (million)	3,332.64	3,034.30	2,818.59
Capacity Utilization (%)[(2)]	40.68	54.61	66.49
Overall Capsules			
Installed capacity (million) [(1)]	2,472.48	2,048.16	1,591.20
Actual production (million)	1,372.04	1,065.79	955.24
Capacity Utilization (%)[(2)]	55.49	52.04	60.03
Overall Ointments			
Installed capacity (million) [(1)]	22.81	22.81	22.81
Actual production (million)	14.42	12.85	17.36

Facility/Dosage forms	As of and for year ended March 31,		
	2023	**2022**	**2021**
Capacity Utilization (%)(2)	63.22	56.33	76.11

Overall Dry Powder Injection			
Installed capacity (million) (1)	60.48	60.48	60.48
Actual production (million)	44.76	46.73	35.76
Capacity Utilization (%)(2)	74.01	77.27	59.13

Overall Dry Syrup			
Installed capacity (million) (1)	53.57	53.57	53.57
Actual production (million)	28.27	28.51	16.17
Capacity Utilization (%)(2)	52.77	53.22	30.18

Overall Liquid Orals			
Installed capacity (million) (1)	70.99	70.99	70.99
Actual production (million)	61.55	63.82	26.37
Capacity Utilization (%)(2)	86.70	89.90	37.15

**As certified by Parashar & Co., Chartered Engineer pursuant to their certificate dated September 12, 2023.*
*** Does not include Sharon for any periods.*

Assumptions:

Following assumptions and estimates has been made by the management by Parashar & Co., Chartered Engineer, while certifying the table above:

1. The installed capacity of the manufacturing facilities has been calculated by using the equipment manufacturer's rated maximum capacity for an installed equipment and adjusting it for the typical achieved capacity across a wide range of actual processes and batch sizes for any particular dosage type in a sequential line setup. Further, downtime between any batches due to product changeover related equipment cleaning, scheduled breaks, and material loading and unloading were taken into account to calculate the installed capacity during the year or period.
2. Industry players use different methodology for installed capacity and capacity utilization in accordance with their business model. The assumptions and estimates taken into account include that each manufacturing facility operates for 300 days in a year in two daily shifts for installed capacity as notional capacity for capacity utilization. This methodology is consistent with industry practice.
3. Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant period.
4. In the case of capacity utilization for the period ended on March 31, 2023, the capacity utilization represents the installed capacity for the period ended on March 31, 2023.

See "*Risk Factors - Information relating to the installed manufacturing capacity of our manufacturing facilities included in the Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.*" on page 68 of the Draft Red Herring Prospectus.

Raw Materials and Procurement

We purchase APIs and other materials such as, excipients and impurities from third party suppliers domestically. We source most of our API and other materials from a small core of suppliers with reputations for quality products. We also undertake measures such as assessment questionnaires for suppliers of raw materials to assess quality systems. Our suppliers are selected based on quality, price, cost effectiveness, company history, service levels and adequate staff with sufficient knowledge . We do not have any long-term contracts with our third-party suppliers. Prices are negotiated for each purchase order, and we generally have more than one supplier for each raw material. The terms and conditions including the return policy are set forth in the purchase orders. In addition, under certain CDMO agreements, we are obligated to procure raw materials from vendors specified by the customer.

We have an in-house production department that works on identifying new vendor, providing pre-purchase samples and evaluating the material, its suitability and impact on product quality. Based on successful evaluation, the vendor is added to the approved list and the vendor audit planner. We also inspect the suppliers facility to ensure that they have adequate systems, premises, security management, GMP adherence and approval from regulatory authorities.

In addition to India, we also source raw materials from vendors in China and the Netherlands. For further information, see *"Competitive Strengths - Highly efficient operations, including our world class manufacturing facilities and supply chain"* on page 10 of this Addendum.

We outsource packaging of our products including sourcing packaging material through Nugenic Pharma Private Limited, which is owned by our Promoters.

Our APIs and other raw materials are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions. See, "*Risk Factors - Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition*." on page 60 of the Draft Red Herring Prospectus.

Sales and Marketing

We have a dedicated sales and marketing team. As of March 31, 2023, we had a total sales and marketing team of 300 personnel across India. We have a sales and marketing office in Panchkula, Haryana.

CDMO services and products

We market our CDMO services and products on a business-to-business basis. We focus on maintaining our relationships with our top pharmaceutical customers, building our customer base and strengthening our product basket for existing customers. As of March 31, 2023, we had 3 sales and marketing personnel focused on our CDMO business.

We maintain direct contact with majority of our customers which allows us to understand the technical needs and specifications of our customers as well as their future requirements. We also engage senior management in the sales and marketing process to build more strategic relationships with our customers and to enhance customer experience. We aim to ensure that projects of our existing customers are managed by site-based project managers and business managers. These activities can assist the site-based teams in obtaining additional work on existing projects and identifying new projects with existing customers.

We believe that the primary sales and marketing drivers in our CDMO business are positive word of mouth and strong credibility earned over the years with consistent quality and performance.

Domestic branded generics

We market our domestic generic products under our own brand names to end-users through our network of distributors, stockists and pharmacies. Our sales and marketing team focuses on maintaining our relationships with our distributors, building our retail pharmacy base and launching new products. As of March 31, 2023, we had a total sales and marketing team of over 290 personnel focused on our domestic branded generics business. We aim at ensuring attracting packaging and also run target-based schemes for our distributors.

We believe that the primary sales and marketing drivers in our domestic branded generics business are target-based incentives offered to our distributors and attractive brand names and packaging.

International and exports

We export branded generic products to pharmaceutical companies. Our focus has been on expanding our country approvals and product registrations but also expanding our customer base and volumes sold to existing customers. As of March 31, 2023, we had a total sales and marketing team of 6 personnel focused on our international business.

We believe that the primary sales and marketing drivers in our international branded generics business are

- Attending international trade fairs and exhibitions;
- Frequent country visits by our marketing team
- Showcasing our manufacturing facilities and
- Marketing our international product dossier and data.

Logistics

Each of our facilities are equipped with a warehouse, enabling smooth functioning of our operations. We also have five depots in major locations across India.

The table set forth below provides our freight charges for the years and period indicated.

Particulars	Restated Consolidated Financials						Pro Forma Condensed Consolidated Financial Information[(1)]	
	Fiscal 2021		Fiscal 2022		Fiscal 2023		Fiscal 2023	
	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses
Freight Charges	6.27	0.17%	15.64	0.22%	39.45	0.47%	58.16	0.56%

(1) *Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 105 of this Addendum. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023 as if such acquisition was effective on April 1, 2022.*

We sell our products on various shipping and delivery basis like Free on Board (FOB), Cost Insurance, Freight (CIF) or Cost and Freight (CnF) basis. We may have to pay for transportation costs in relation to the delivery of some of the raw materials and other inputs to our manufacturing facilities. We do not own any vehicles for the transportation of our products and/or raw materials; we therefore rely on third party transportation and logistics providers for delivery of our raw materials and products. However, we do not have any long-term contractual arrangements with such third-party transportation and logistics providers. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time.

Where we are responsible for shipping the products to the customer, either our freight forwarders arrange for the finished products or freight forwarders nominated by the customers , to be trucked to our customers in India or to the port for export, as applicable. Our custom house agents handle the requisite clearance procedures. For exports, our freight forwarders / nominated freight forwarders co-ordinate with the shipping line or airline to file and release the necessary bills of lading or air waybills.

Quality Control, Testing and Certifications

Maintaining high standard of quality in our R&D and manufacturing operations is critical to our growth and success. The quality department of the Company is responsible for ensuring safety, identity, strength, purity, and quality for each product manufactured by effective implementation of pharmaceutical quality system processes, as well as their sequences, linkages and interdependencies. We identify and approve multiple vendors to source our key raw materials, in addition to the suppliers approved by our customers, pursuant to a vendor assessment that involves an examination of the potential vendor's regulatory accreditations, and supply strength in terms of delivering largequantities on a consistent basis. As of March 31, 2023, our quality control department consisted of over 150 employees.

Our quality check involves process performance, product quality monitoring system, corrective action and preventive action system, change management system. We seek to identify risks relating to facility and equipment operations condition, in-process controls, attributes related to drug product materials etc. We implement our quality control manual is pharmaceutical development, technology transfer, commercial manufacturing and product discontinuation. We also have audit programs such as vendor audit program, training program, change control program, stability testing program etc.

We have a modern quality control laboratory equipped with gas chromatography, HPLC, FTIR spectrometers and spectrophotometers. We also have a newly equipped control sample storage facility. We also have implemented a laboratory information management system for quality controls which enable us to undertake data analytics and track product level information across the different facilities and teams.

We also undertake process validations to ensure expanded real time monitoring and adjustment of process. It also helps us in statistically evaluating process performance and product variables.

Environment, Health and Safety

We are subject to national, regional and state laws and government regulations in India in relation to safety, health and environmental protection. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees.

We strive to manage the potential risks associated by implementing our health and safety policy which is aimed at providing a safe and establish sound work practices in manufacturing operations and equipment selection and maintenance with a focus on continual improvements of processes and products to prevent pollution and accidents. Further, our manufacturing facilities possess effluent treatment processes and minimize any contamination of the surrounding environment or pollution in compliance with applicable law.

We prioritize the health and safety of our employees and undertake several initiatives to promote employee health and quality of life. We have adopted a comprehensive health and safety policy in this regard. We work to ensure a safe and healthy workplace and provide our employees with the benefits, resources and flexibility to maintain and improve their wellness.

To ensure the health and safety of employees during the ongoing pandemic, additional security and safety measures were implemented. Also, see "*Risk Factors - The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, results of operations and financial condition.*" on page 37 of the Draft Red Herring Prospectus.

Utilities

We consume fuel and power for our operations at our manufacturing facilities, which is sourced through the local state power grid. Additionally, we have also installed generators in our manufacturing facilities to ensure uninterrupted supply of power.

The table set forth below provides our freight charges the years and period indicated.

Particulars	Restated Consolidated Financials						Pro Forma Condensed Consolidated Financial Information(1)	
	Fiscal 2021		Fiscal 2022		Fiscal 2023		Fiscal 2023	
	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses
Power & fuel expenses	54.78	1.50%	79.14	1.10%	95.14	1.13%	212.12	2.03%

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 105 of this Addendum. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023 as if such acquisition was effective on April 1, 2022.

Information Technology

Our IT systems are vital to our business, and we have adopted IT policies to assist us in our operations. The key functions of our IT team include establishing and maintaining enterprise information systems and infrastructure services to support our business requirements, maintaining secure enterprise operations. We utilize an enterprise resource planning solution, SAP ERP, and we also have Standard operating procedures for maintaining confidentiality of electronic data, maintaining critical equipment, system designs, retrieval of critical data etc.

In addition, we have implemented a quality control laboratory information management system to assist management and safeguarding our laboratory processes that allows for paperless operations and digital information flows.

Information security is one of the key focus areas. We have developed standard operating procedures for data recovery in case of a disaster including regular backups.

For information on the risk to our IT systems, see "*Risk Factors - Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition and results of operations*" on page 61 of the Draft Red Herring Prospectus.

Insurance

Our operations are subject to risks inherent in the pharmaceutical manufacturing industry, which include defects, liability for product and/or property damage, malfunctions and failures of manufacturing equipment, fire, explosions, loss-in-transit for our products, accidents, personal injury or death, environmental pollution and natural disasters. We maintain insurance coverage that we consider necessary for our business. We maintain an insurance policy that insures us against material damage to buildings, plant and machinery, furniture, fixtures, fittings and stocks. We also maintain a marine sales turnover insurance policy that insures transit of commodities by sea, air, rail, road and courier. We also have a directors and officers liability insurance policy in place.

The insurance cover on assets of our Company amounted to ₹11,305.59 million as of March 31, 2023, covering 120.97% of the total assets of our Company i.e. ₹9,345.92 million (excluding intangible assets, goodwill, right-of-use assets and deferred tax assets) as of March 31, 2023.

For further information, also see "*Risk Factors - Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses depending on the insurance policy, which could adversely affect business, results of operations and financial condition*" on page 60 of the Draft Red Herring Prospectus.

Competition

We compete to provide services to pharmaceutical companies in the CDMO industry. Our competition includes full-service pharmaceutical outsourcing, CDMO companies; contract manufacturers focusing on a limited number of dosage forms; contract manufacturers providing multiple dosage forms; and large pharmaceutical companies offering third-party manufacturing services to fill their excess capacity. The key players in the Indian CDMO segment include Akums Drugs and Pharmaceuticals Limited, Synokem Pharmaceuticals Limited, Theon Pharmaceuticals Limited, Tirupati Medicare Limited and Windlas Biotech Limited. (*Source: CRISIL Report, May 2022*). In addition, in Europe and Asia, there are a large number of privately owned, dedicated outsourcing companies that serve only their local or national markets. Also, large pharmaceutical companies have been seeking to divest portions of their manufacturing capacity, and any such divested businesses may increase competition in CDMO industry. We compete primarily based on product portfolio (range of existing product portfolio and novelty of new offerings), security of supply (quality, regulatory compliance and financial stability), service (delivery and manufacturing flexibility) and cost- effective manufacturing.

For our domestic branded generics, we compete with companies in the Indian market based on therapeutic and product categories, and within each category, upon dosage strengths and drug delivery. Many of the pharmaceutical players are adding generic products to their portfolio. Abbott Healthcare Limited, Cipla Limited and Alkem Laboratories Limited are some of the players operating in the Indian generics market. (*Source: CRISIL Report, May 2022*). Further, in international markets, we compete with local companies, multinational corporations and companies from other emerging markets that are engaged in manufacturing and marketing generic pharmaceuticals. For further information, see "*Industry Overview*" and "*Basis for the Offer Price*" on pages 130 and 122, respectively, of the Draft Red Herring Prospectus.

Human Resources

We place importance on developing our human resources. As of March 31, 2023, we had over 1,600 employees (not including Sharon).

We do not have recognized trade unions at our two manufacturing facilities in Baddi, Himachal Pradesh. We have not experienced any material work stoppages due to labour disputes or cessation of work in the last three fiscal years. We also have a recruitment SOP in place which prescribes our recruitment procedure, joining and induction training process. We assess our employees on parameters such as experience, education, problem solving skills and knowledge.

Our work force is a critical factor in maintaining quality, productivity and safety, which, we believe, strengthens our competitive position. We are committed to providing an attractive working environment for our employees and to provide safe and healthy working conditions.

Our workforce has been impacted by COVID-19, see "*Risk Factors - The impact of the COVID-19 pandemic is uncertain and still evolving, and could adversely affect our business, results of operations and financial condition."* on page 37 of the Draft Red Herring Prospectus.

Intellectual Property

We rely on a combination of trademarks, trade secrets, and contractual restrictions to protect our intellectual property. We do not own any patents or copyrights. As of March 31, 2023, we had 87 registered trademarks in India and 55 pending trademark applications in our Subsidiary, UML's name. We have applied for a trademark for our corporate logo with the Trademark Registry. For further information, see "*Government and Other Approvals*" on page 421 of the Draft Red Herring Prospectus.

Also, many of the formulations used by us in manufacturing products to customer specifications are subject to patents or other intellectual property rights owned by or licensed to the relevant customer. Further, our CDMO agreements with customers that own or are licensed users of patented drugs and formulations include non-disclosure, confidentiality, indemnity and other contractual provisions. We have acquired and developed and continue to acquire and develop knowledge and expertise, or know-how, and trade secrets in the provision of services in our businesses, including know-how and trade secrets related to proprietary technologies and patents, trademarks, know-how and trade secrets related to our contract manufacturing and our generic products. Our know-how and trade secrets in our businesses may not be patentable, however, they are valuable in that they enhance our ability to provide high-quality services and products to our customers. See "*Risk Factors – If we are unable to protect our intellectual property rights, our business, results of operations and financial condition may be adversely affected. Further, if our products were found to be infringing on the intellectual property rights of a third-party, we could be required to cease selling the infringing products, causing us to lose future sales revenue from such products and face substantial liabilities for patent infringement.*" on page 54 of the Draft Red Herring Prospectus.

Properties

Offices

Our Registered Office is located at 606, 6th floor, Ratan Galaxie, Plot No. 1, J. N. Road, Mulund (W), Mumbai, Maharashtra, India. Our Corporate Office is located at Second Floor, SCO No. 301, Sector 9, Panchkula, Haryana, India. We also have a marketing office located at SCO-302, 1st floor, Sector-9, Panchkula, Haryana, India. As of March 31, 2023, both offices were held under lease. For further information, see "*Risk Factors - We do not own certain of the premises of our manufacturing facilities and administration offices*" on page 62 of the Draft Red Herring Prospectus.

Manufacturing and Distribution Facilities

We have two manufacturing facilities located Baddi, Himachal Pradesh. Unit 1 is leased and Unit 2 is owned. We have also acquired the land where we are planning a new R&D facility in Panchkula, Haryana, India.

Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra.

Corporate Social Responsibilities ("CSR")

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility Committee, which is constituted by three Directors.

Our Corporate Social Responsibility Committee contributed to the following causes:

- Promoting health care, including preventive health care and sanitation;
- Promotion of education;
- Animal welfare;
- Promoting social and economically backward groups; and
- Promoting rural sports.

The table set forth below provides our CSR expenses for the years and period indicated.

Particulars	**Restated Consolidated Financials**						**Pro Forma Condensed Consolidated Financial Information(1)**	
	Fiscal 2021		**Fiscal 2022**		**Fiscal 2023**		**Fiscal 2023**	
	₹ million	**% of total expenses**	**₹ million**	**% of total expenses**	**₹ million**	**% of total expenses**	**₹ million**	**% of total expenses**
CSR Expenses	2.56	0.07%	7.32	0.10%	14.35	0.17%	17.59	0.17%

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 105 of this Addendum. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023 as if such acquisition was effective on April 1, 2022.

RESTATED CONSOLIDATED FINANCIAL INFORMATION

The following set forth the Restated Consolidated Financial Information which comprise the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2023, March 31, 2022 and March 31, 2021, Restated Consolidated Statement of Profit and Loss, and Restated Consolidated Statement of Cash Flows and Restated Consolidated Statement of Changes in Equity for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, together, with the Basis of Preparation and Significant Accounting Policies and other explanatory information, compiled from the audited Ind AS Consolidated Financial Statements of our Company as at and for the financial years ended March 31, 2023 and March 31, 2022 and the audited Ind AS Financial Statements of the Company as at and for the financial year ended March 31, 2021, prepared in accordance with Ind AS and other accounting principles generally accepted in India, restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, as amended.

Our Company has received written consent dated September 12, 2023 from our Statutory Auditors, B S R & Co. LLP, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Addendum as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as independent statutory auditors and in respect of their (i) examination report dated September 9, 2023, on our Restated Consolidated Financial Information, and (ii) report dated September 9, 2023, on our Pro Forma Condensed Consolidated Financial Information, included in this Addendum. Such consent has not been withdrawn as on the date of this Addendum. The term "expert" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

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B S R & Co. LLP
Chartered Accountants

Unit No. A505A
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Plot No. 178-178A, Industrial Area
Phase - 1, Chandigarh - 160002
Tel: +91 172 672 3400

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Innova Captab Limited ("Company")
Office No.606, Ratan Galaxie-6th Floor,
J.N. Road, Plot No.1, Mulund (W),
Mumbai-MH 400080, India

Dear Sirs/Madam,

1. We B S R & Co. LLP, Chartered Accountants ("we" or "us" or "B S R") have examined, the attached Restated Consolidated Financial Information of Innova Captab Limited (the "Company" or the "Holding Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") as at and for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, comprising the Restated Consolidated Statement of Assets and Liabilities as at 31 March 2023, 31 March 2022 and 31 March 2021, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for years ended 31 March 2023, 31 March 2022 and 31 March 2021, (together, with the Basis of Preparation and Significant Accounting Policies and other explanatory information referred to as "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 9 September 2023 for the purpose of inclusion in the Addendum to the Draft Red Herring Prospectus ("Addendum DRHP") prepared by the Company in connection with its proposed initial public offer of equity shares of face value of Rs. 10 each comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");

(b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations");

(c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Addendum DRHP to be filed with SEBI, BSE Limited and National Stock Exchange of India Limited in connection with the Offer. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2(a) of Annexure V to the Restated Consolidated Financial Information.

The responsibilities of respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

(a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 14 August 2023 in connection with the Offer of equity shares of the Company;

(b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

(c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

(d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Offer.

4. These Restated Consolidated Financial Information have been compiled by the management from:

(a) As at and for the year ended 31 March 2023 and 31 March 2022: From the audited consolidated financial statements of the Group as at and for the years ended 31 March 2023 and 31 March 2022 prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 12 August 2023 and 30 September 2022 respectively;

(b) As at and for the year ended 31 March 2021: From the audited financial statements of the Company as at and for the year ended 31 March 2021 prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 30 November 2021.

5. For the purpose of our examination, we have relied on:

a. Auditors' reports issued by us dated 12 August 2023 and 30 September 2022 on the Consolidated Financial Statements of the Group as at and for the years ended 31 March 2023 and 31 March 2022 as referred in Paragraph 4 (a) above. The auditor's report on the consolidated financial statements of the Group as at and for the year ended 31 March 2023 and 31 March 2022 included the following Other matter paragraph (as referred in note 4(d) of Annexure VII of the Restated Consolidated Financial Information):

— **As at and for the year ended 31 March 2023**

We did not audit the financial statements of a subsidiary, Univentis Foundation, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 0.71 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 7.83 million and net cash flows (before consolidation adjustments) amounting to Rs. 0.49 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by an other auditor, namely J Mandal & Co., Chartered Accountants (“Other Auditor”), whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the Other Auditor.

Our opinion on the consolidated financial statements, is not modified in respect of this matter with respect to our reliance on the work done and the report of the Other Auditor.

— **As at and for the year ended 31 March 2022**

We did not audit the financial statements of a subsidiary, Univentis Foundation, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 0.22 million as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. 0.00 million and net cash flows (before consolidation adjustments) amounting to Rs. 0.22 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by Other Auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the Other Auditor.

Our opinion on the consolidated financial statements, is not modified in respect of this matter with respect to our reliance on the work done and the report of the Other Auditor.

b. Auditors’ report issued by us dated 30 November 2021 on the financial statements of the Company as at and for the year ended 31 March 2021 as referred in Paragraph 4 (b) above. The auditor’s report on the financial statements of the Company as at and for the year ended 31 March 2021 included the following Other matter paragraph (as referred in note 4(d) of Annexure VII of the Restated Consolidated Financial Information):

— **As at and for the year ended 31 March 2021**

The comparative financial information of the Company for the year ended 31 March 2020 and the transition date opening Balance Sheet as at 1 April 2019 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor, namely, Garg Sanjeev & Associates, Chartered Accountants ("Predecessor Auditor”) whose report for the year ended 31 March 2020 and 31 March

2019 dated 25 November 2020 and 2 September 2019 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of the above matter.

6. As indicated in our audit reports referred to in paragraph 5(a) above, we did not audit the financial information of a subsidiary, Univentis Foundation, as at and for the years ended 31 March 2023 and 31 March 2022 whose share of total assets, total revenues, net cash inflows / (outflows) included in the Restated Consolidated Financial Information, for the relevant period is tabulated below:

(INR million)

Particulars	**As at and for the year ended 31 March 2023**	**As at and for the year ended 31 March 2022**
Total assets	0.71	0.22
Total revenue	7.83	0.00
Net cash inflows/ (outflows)	0.49	0.22

These financial statements have been audited by the Other Auditor and whose report has been furnished to us by the Company's management and our opinion on the Restated Consolidated Financial Information, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the Other Auditor.

Our opinion on the Restated Consolidated Financial Information is not modified in respect of this matter.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:

a. have been prepared after incorporating adjustments for change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year ended 31 March 2023, 31 March 2022 and 31 March 2021 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the nine months period ended 31 March 2023;

b. does not contain any qualifications requiring adjustments. However, those qualifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VII to the Restated Consolidated Financial Information; and

c. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

8. We have not audited any financial statements of the Group as of any date or for any period subsequent to 31 March 2023. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to 31 March 2023.

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 5 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or Other Auditor or Predecessor Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the Addendum DRHP to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited, as applicable, in connection with the Offer. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Gaurav Mahajan
Partner
Membership No: 507857
UDIN: 23507857BGYNWO1348

Place: Panchkula
Date: 9 September 2023

Innova Captab Limited (CIN: U24246MH2005PLC150371)
Annexure I- Restated Consolidated Statement of Assets and Liabilities
(Amount in INR millions, except for share data unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Assets				
(1) Non-current assets				
(a) Property, plant and equipment	3a	1,501.06	1,565.60	763.59
(b) Right-of-use assets	4	153.04	93.28	23.37
(c) Capital work-in-progress	3a	215.43	0.31	72.64
(d) Goodwill	3b	166.94	166.94	-
(e) Other intangible assets	3b	7.73	4.53	4.44
(f) Financial assets				
(i) Investments	5	0.00	0.00	0.00
(ii) Loans	6	4.78	2.19	-
(iii) Other financial assets	7	5.59	7.75	34.95
(g) Deferred tax assets (net)	36	1.20	2.20	-
(h) Income tax assets (net)	8	7.27	40.26	13.32
(i) Other non-current assets	9	556.43	81.18	79.23
Total non-current assets		**2,619.47**	**1,964.24**	**991.54**
(2) Current assets				
(a) Inventories	10	1,173.16	1,283.86	914.45
(b) Financial assets				
(i) Trade receivables	11	2,652.18	2,126.86	1,385.53
(ii) Cash and cash equivalents	12	35.25	1.52	47.95
(iii) Bank balances other than (ii) above	13	153.50	22.87	70.99
(iv) Loans	14	10.11	2.97	4.65
(v) Other financial assets	15	71.94	43.02	22.23
(c) Other current assets	16	328.53	309.41	258.82
Total current assets		**4,424.67**	**3,790.51**	**2,704.62**
Total assets		**7,044.14**	**5,754.75**	**3,696.16**
Equity and liabilities				
(1) Equity				
(a) Equity share capital	17	480.00	120.00	120.00
(b) Other equity	18	2,285.06	1,966.06	1,328.21
Total equity		**2,765.06**	**2,086.06**	**1,448.21**
Liabilities				
(2) Non- current liabilities				
(a) Financial liabilities				
- Borrowings	19	1,341.77	673.52	60.00
- Lease liabilities	4	13.84	5.90	3.53
- Other financial liabilities	20	78.94	-	-
(b) Provisions	21	28.97	22.66	12.34
(c) Deferred tax liabilities (net)	36	39.21	20.57	19.26
(d) Other non-current liabilities	22	0.85	0.85	1.29
Total non-current liabilities		**1,503.58**	**723.50**	**96.42**
(3) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	1,010.15	1,308.30	390.26
(ii) Lease liabilities	4	3.96	3.96	1.18
(iii) Trade payables	23			
-total outstanding dues of micro and small enterprises		5.73	14.31	34.82
-total outstanding dues of creditors other than micro and small enterprises		1,579.10	1,433.73	1,087.51
(iv) Other financial liabilities	24	114.63	93.26	582.31
(b) Other current liabilities	25	56.10	78.46	50.11
(c) Provisions	21	5.83	3.50	5.34
(d) Current tax liabilities (net)	26	-	9.67	-
Total current liabilities		**2,775.50**	**2,945.19**	**2,151.53**
Total liabilities		**4,279.08**	**3,668.69**	**2,247.95**
Total equity and liabilities		**7,044.14**	**5,754.75**	**3,696.16**

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial Information appearing in Annexure VII.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 9 September 2023

For and on behalf of Board of Directors of
Innova Captab Limited

Manoj Kumar Lohariwala
Chairman & Whole time director
DIN: 00144656

Vinay Kumar Lohariwala
Managing Director
DIN: 00144700

Neeharika Shukla
Company Secretary
Membership No.: A42724

Gaurav Srivastava
Chief Financial Officer

Place: Panchkula
Date: 9 September 2023

Innova Captab Limited (CIN: U24246MH2005PLC150371)

Annexure II- Restated Consolidated Statement of Profit and Loss

(Amount in INR millions, except for share data unless otherwise stated)

	Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
I	Revenue from operations	27	9,263.80	8,005.26	4,106.62
II	Other income	28	91.98	28.83	13.71
III	**Total income (I + II)**		**9,355.78**	**8,034.09**	**4,120.33**
IV	**Expenses**				
	Cost of materials consumed	29	6,466.06	5,736.37	3,014.60
	Purchase of stock-in-trade	30	447.91	387.80	75.99
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	1.65	54.89	16.35
	Employee benefits expense	32	547.97	404.59	223.34
	Finance costs	33	199.73	56.80	39.27
	Depreciation and amortization expense	34	110.77	75.03	55.86
	Other expenses	35	663.74	461.41	231.48
	Total expenses (IV)		**8,437.83**	**7,176.89**	**3,656.89**
V	**Profit before tax (III-IV)**		**917.95**	**857.20**	**463.44**
VI	**Tax expense:**				
(i)	Current tax	36	218.60	218.15	114.98
(ii)	Deferred tax		19.81	(0.48)	3.46
	Total tax expense		**238.41**	**217.67**	**118.44**
VII	**Profit for the year (V-VI)**		**679.54**	**639.53**	**345.00**
VIII	**Other comprehensive income/(loss)**				
	Items that will not be reclassified to profit or loss				
	Remeasurement of defined benefit obligation		(0.72)	(2.25)	(1.03)
	Income tax relating to items that will not be reclassified to profit or loss		0.18	0.57	0.26
	Total other comprehensive (loss) for the year (net of tax)		**(0.54)**	**(1.68)**	**(0.77)**
IX	**Total comprehensive income for the year (VII+VIII)**		**679.00**	**637.85**	**344.23**
	Earnings per equity share				
	Basic and diluted [nominal value of INR 10 per share]	37	14.16	13.32	7.19

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 9 September 2023

For and on behalf of Board of Directors of
Innova Captab Limited

Manoj Kumar Lohariwala
Chairman & Whole time director
DIN: 00144656

Vinay Kumar Lohariwala
Managing Director
DIN: 00144700

Neeharika Shukla
Company Secretary
Membership No.: A42724

Gaurav Srivastava
Chief Financial Officer

Place: Panchkula
Date: 9 September 2023

Innova Captab Limited (CIN: U24246MH2005PLC150371)
Annexure III-Restated Consolidated Statement of Cash Flows
(Amount in INR millions, except for share data unless otherwise stated)

	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
A	**Cash flows from operating activities**			
	Profit before tax for the year	**917.95**	**857.20**	**463.44**
	Adjustments for:			
	Depreciation and amortization expense	110.77	75.03	55.86
	Expected credit loss on trade receivables	1.19	6.91	4.64
	Bad debts written off	4.36	1.19	1.92
	Net (profit) / loss on sale of property, plant and equipment	(2.86)	0.07	(1.50)
	Unrealized foreign exchange (gain)	(6.54)	(4.39)	(1.50)
	Unrealized profit on inventory	0.40	18.46	-
	Amortisation of government grant	(21.52)	(0.43)	(0.43)
	Finance costs	199.73	56.80	39.27
	Transaction costs related to borrowings	(1.36)	(0.90)	-
	Provision for obsolete inventory	1.88	2.57	-
	Provision for litigation written back	-	(0.99)	-
	Gain on fair valuation of compulsorily convertible preference shares	(19.76)	-	-
	Interest income	(7.11)	(1.41)	(2.35)
	Operating cash flows before working capital changes	**1,177.13**	**1,010.11**	**559.35**
	Working capital adjustments			
	Decrease / (increase) in inventories	108.42	(114.31)	(44.10)
	(Increase) in trade receivables	(524.33)	(178.87)	(74.21)
	Increase in trade payables	136.69	125.13	98.75
	(Increase) in loans	(9.73)	(0.37)	(2.01)
	(Increase) / decrease in other financial assets	(24.79)	4.24	(7.73)
	(Increase) in other current assets	(19.12)	(2.17)	(2.81)
	(Increase) in other non current assets	(0.27)	(8.34)	-
	(Decrease) / increase in other current liabilities	(0.84)	(56.43)	21.25
	Increase / (decrease) in other financial liabilities	15.44	12.96	(4.14)
	Increase in provisions	7.93	5.45	3.63
	Cash generated from operating activities	**866.53**	**797.40**	**547.98**
	Income tax paid (net)	(195.29)	(208.42)	(132.32)
	Net cash generated from operating activities (A)	**671.24**	**588.98**	**415.66**
B	**Cash flows from investing activities**			
	Purchase of property, plant and equipment and intangible assets	(789.91)	(798.83)	(187.33)
	Proceeds from sale of property, plant and equipment	7.39	0.84	2.86
	Interest income received	4.71	7.51	0.72
	Payments made for/cash and cash equivalents on acquisition of business on account of slump sale *	-	(542.50)	0.05
	Payments made for acquisition of subsidiary (net of cash and cash equivalents acquired) **	-	(597.70)	-
	Bank deposits made	(153.11)	(21.46)	(12.98)
	Proceeds from redemption of bank deposits	22.49	70.99	-
	Net cash (used in) investing activities (B)	**(908.43)**	**(1,881.15)**	**(196.68)**
C	**Cash flows from financing activities**			
	Payment of lease liabilities (including interest)	(7.21)	(3.11)	(1.53)
	Finance cost paid	(123.55)	(60.00)	(34.76)
	Repayments of non-current borrowings	(350.56)	(390.63)	(56.09)
	Proceeds from non-current borrowings	495.13	1,085.50	-
	Proceeds from/ repayments of current borrowings	(242.89)	613.98	(100.98)
	Proceeds from issue of compulsorily convertible preference shares	500.00	-	-
	Net cash generated from / (used in) financing activities (C)	**270.92**	**1,245.74**	**(193.36)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**33.73**	**(46.43)**	**25.62**
	Cash and cash equivalents at the beginning of the year	1.52	47.95	22.33
	Cash and cash equivalents at the end of the year	**35.25**	**1.52**	**47.95**

* refer note 47(a)
** refer note 47(b)

(Amount in INR millions, except for share data unless otherwise stated)

Notes:

1. **Components of cash and cash equivalents**

Cash on hand	0.38	0.07	0.15
Cheque on hand	-	-	47.23
Balances with banks - in current accounts	34.87	1.45	0.57
	35.25	**1.52**	**47.95**

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows".

3. For reconciliation of movements of liabilities to cash flows arising from financing activities refer note 4(c) for lease liabilities and 19(F) for borrowings.

The above annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in annexure V, notes to the Restated Consolidated Financial Information appearing in annexure VI and Statement on Adjustments to Audited Financial Information appearing in Annexure VII.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 9 September 2023

For and on behalf of Board of Directors of
Innova Captab Limited

Manoj Kumar Lohariwala
Chairman & Whole time director
DIN: 00144656

Vinay Kumar Lohariwala
Managing Director
DIN: 00144700

Neeharika Shukla
Company Secretary
Membership No. : A42724

Gaurav Srivastava
Chief Financial Officer

Place: Panchkula
Date: 9 September 2023

Innova Captab Limited (CIN: U24246MH2005PLC150371)
Annexure IV-Restated Consolidated Statement of Changes in Equity
(Amount in INR millions, except for share data unless otherwise stated)

A Equity share capital (refer note 17)

Particulars	As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the reporting year (refer note 17)	1,200,000	120.00	1,200,000	120.00	1,200,000	120.00
Sub-division of 1 share of face value INR 100/- each into 10 share of face value INR 10/- each effective April 4, 2022 (Increase in shares on account of sub-division) (refer note 17)	10,800,000	-	-	-	-	-
Add:- Bonus share issued during the year ended on 31 March 2023 (refer note 17)	36,000,000	360.00	-	-	-	-
Balance at the end of the reporting year	**48,000,000**	**480.00**	**1,200,000**	**120.00**	**1,200,000**	**120.00**

B Other equity (refer note 18)

Particulars	Capital reserve	Reserves and surplus Retained earnings	Total
Balance as at 1 April 2020	**-**	**983.54**	**983.54**
Total comprehensive income for the year			
Add : Addition on acquisition of business on account of slump sale (also refer to note 47(a))	0.44	-	**0.44**
Add : Profit for the year	-	345.00	**345.00**
Add : Other comprehensive (loss) (net of tax) for the year	-	(0.77)	**(0.77)**
Total comprehensive income for the year	**0.44**	**344.23**	**344.67**
Balance as at 31 March 2021	**0.44**	**1,327.77**	**1,328.21**
Balance as at 1 April 2021	**0.44**	**1,327.77**	**1,328.21**
Total comprehensive income for the year			
Add : Profit for the year	-	639.53	639.53
Add : Other comprehensive (loss) (net of tax) for the year	-	(1.68)	(1.68)
Total comprehensive income for the year	**0.44**	**637.85**	**637.85**
Balance as at 31 March 2022	**0.44**	**1,965.62**	**1,966.06**
Balance as at 1 April 2022	**0.44**	**1,965.62**	**1,966.06**
Total comprehensive income for the year			
Add : Profit for the year	-	679.54	679.54
Add : Other comprehensive (loss) (net of tax) for the year	-	(0.54)	(0.54)
Total comprehensive income for the year	**-**	**679.00**	**679.00**
Transactions with owners of the Company			
Contributions and distributions			
Issue of bonus shares		(360.00)	**(360.00)**
Total contributions and distributions	**-**	**(360.00)**	**(360.00)**
Balance as at 31 March 2023	**0.44**	**2,284.62**	**2,285.06**

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Restated Consolidated Financial Information appearing in Annexure VI and Statement of Adjustments to the Restated Consolidated Financial information appearing in Annexure VII.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 9 September 2023

For and on behalf of Board of Directors of
Innova Captab Limited

Manoj Kumar Lohariwala
Chairman & Whole time director
DIN: 00144656

Vinay Kumar Lohariwala
Managing Director
DIN: 00144700

Neeharika Shukla
Company Secretary
Membership No. : A42724

Gaurav Srivastava
Chief Financial Officer

Place: Panchkula
Date: 9 September 2023

Note 1. Corporate Information

Innova Captab Limited (CIN: U24246MH2005PLC150371) ("the Company" or "the Holding Company"), a Company domiciled in India with its registered office situated at Office No. 606, Ratan Galaxie-6th Floor, J.N. Road, Plot No. 1, Mulund (W), Mumbai, MH 400080, India, was incorporated in Mumbai on 3 January 2005 as a private limited company. The Company was initially incorporated with the name of "Harun Healthcare Private Limited" and later the name was changed to "Innova Captab Private Limited". The Company was converted to a Public Limited Company w.e.f 26 July 2018. After conversion, the name of the Company is "Innova Captab Limited".

The Restated Consolidated Financial Information comprise the restated financial information of the Company and its subsidiaries (referred to collectively as the "Group").

The Group is engaged in the business of manufacturing and trading of drugs and pharmaceuticals.

Note 2. Significant accounting policies

(a) Basis of preparation

(i) Statement of compliance

The "Restated Consolidated Financial Information" comprise of Restated Consolidated Statements of Assets and Liabilities of the Company as at 31 March 2023, 31 March 2022 and 31 March 2021, the Restated Consolidated Statements of Profit and Loss, the Restated Consolidated Statements of Cash Flows and the Restated Consolidated Statements of Changes in Equity for each of the years ended 31 March 2023, 31 March 2022 and 31 March 2021, together with the notes and annexures thereto (together referred as "Restated Consolidated Financial Information").

These Restated Consolidated Financial Information has been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the addendum to the Draft Red Herring Prospectus ('addendum to DRHP' or "Offering Document") in connection with the proposed Initial Public Offering ("IPO"), of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Holding Company in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended;

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

The Restated Consolidated Financial Information of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the consolidated financial statements and other relevant provisions of the Act.

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information.

Further, in Restated Consolidated Financial Information:

- there were no changes in accounting policies during the year;

- there were no material amounts which have been adjusted for in arriving at loss for the respective year except as disclosed in Annexure VII; and

- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited consolidated financial statements of the Group as at and for year ended 31 March 2023. Refer note 52.

The Restated Consolidated Financial Information have been compiled by the Group from the audited consolidated financial statements of the Group as at and for the year ended 31 March 2023 and 31 March 2022 and audited financial statements of the Company as at and for the year ended 31 March 2021 prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 12 August 2023, 30 September 2022 and 30 November 2021 respectively.

The Restated Consolidated Financial Information have been approved by the Company's Board of Directors on 9 September 2023.

Functional and presentation currency

The functional currency of the Company is the Indian rupee. These restated consolidated financial Information are presented in Indian rupees. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated.

Basis of measurement

The Restated Consolidated Financial Information has been prepared on the historical cost basis except for the following items:

Items	**Measurement basis**
Financial assets and liabilities acquired under business combination,	Fair value
Derivative financial instruments	Fair value
Defined benefits liability	Present value of defined benefits obligations

(ii) Current versus non-current classification

The Group presents assets and liabilities in the Restated Consolidated Statement of Assets and Liabilities based on current/non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

(iii) Use of estimates and judgments

In preparation of the Restated Consolidated Financial Information, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the Restated Consolidated Financial Information. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 2(h) and 27 – : revenue recognition: whether revenue is recognized over time or at a point in time
- Note 2(d) and 4 – assessment of useful life of right-to-use asset

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes

- Note 2 (a)(iv) – Fair value measurement (including fair value of consideration transferred on business combination and fair value of the assets acquired and liabilities assumed)
- Note 2(c) and 3a – Assessment of useful life and residual value of property, plant and equipment
- Note 2(d) and 4 – Lease Classification, discount rate
- Note 2(e) and 3b – Assessment of useful life of intangible assets
- Note 2(f) – Valuation of inventories
- Note 2(g) – Impairment of financial assets; impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 2(k) and 39 – Measurement of defined benefit obligations: key actuarial assumptions
- Note 2(n) and 36 – Recognition and estimation of tax expense including deferred tax; recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used, future recoverability been probable
- Note 2(o), 2(p), and 45(a) – Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.

(iv) Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred. Further information about the assumptions made in measuring fair values used in preparing the Restated Consolidated Financial Information is included in the Note 42.

(v) Principles of consolidation

The Restated Consolidated Financial Information comprises the financial statement of the Group, and the entities controlled by the Group including its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary and ceases when the Group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Consolidated Financial Information from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Restated Consolidated Financial Information is prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Financial Information for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Restated Consolidated Financial Information to ensure conformity with the Group's accounting policies.

The detail of consolidated entity as follows:

Name of subsidiary	Country of incorporation	Percentage of ownership		
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Univentis Medicare Limited #	India	100%	100%	-
Univentis Foundation ##	India	100%	100%	-

The Group has invested in Univentis Medicare Limited on 31 December 2021

Incorporated on 14 June 2021

Consolidation procedure

The Restated Consolidated Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the restated consolidated statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the restated consolidated statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Following are the steps involved in consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of each subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

- Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business Combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. In case of leases acquired as part of business combination, the Group measures a right-of-use asset at the same amount as the lease liability. However, if the lease terms are favourable or unfavourable when compared with market terms, then the right-of-use asset is adjusted by the fair value of the off-market terms. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Restated Consolidated Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Restated Consolidated Statement of Profit and Loss.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Restated Consolidated Financial Information from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Restated Consolidated Statement of Profit and Loss.

(b) Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (except trade receivable, that do not contain a significant financing component are measured at transaction price) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (‘FVTPL’) are recognised immediately in Restated Consolidated Statement of Profit and Loss.

Subsequent measurement

On initial recognition, a financial asset is classified as measured at:

- amortised cost
- fair value through other comprehensive income (FVOCI)
- fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Restated Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Restated Consolidated Statement of Profit and Loss.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

− the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

– how the performance of the portfolio is evaluated and reported to the Group's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

− contingent events that would change the amount or timing of cash flows;

− terms that may adjust the contractual coupon rate, including variable interest rate features;

− prepayment and extension features; and

− terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets – Subsequent measurement and gains and losses

a) Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

b) Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's Restated Consolidated Statement of Assets and Liabilities) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Restated Consolidated Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Restated Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Restated Consolidated Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Restated Consolidated Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Restated Consolidated Statement of Assets and Liabilities when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Group holds derivative financial instruments in form of compulsorily convertible preference shares. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Financial Guarantee

A financial guarantee contract requires the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values, adjusted for transaction costs that are directly attributable to the issuance of the guarantee and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

• the amount of the loss allowance determined in accordance with Ind AS 109; and

• the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the Company's revenue recognition policies.

The Company has not designated any financial guarantee contracts as FVTPL.

The Group estimates the loss allowance on financial guarantee contracts based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the interest rate relevant to the exposure.

(c) Property, plant and equipment ('PPE')

Recognition and measurement

Items of PPE are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation and or accumulated impairment loss, if any. Freehold land is carried at historical cost less any accumulated impairment losses.

Cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes after deducting any trade discounts and rebates and any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of PPE comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Advances paid towards acquisition of PPE outstanding at each period/year end date, are shown under other non-current assets and cost of assets not ready for intended use before the period/year end, are shown as capital work-in-progress.

Any gain or loss on disposal of an item of PPE is recognised in the Restated Consolidated Statement of Profit and Loss.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Restated Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Restated Consolidated Statement of Profit and Loss.

Depreciation on items of PPE is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with the notification dated 29 August 2014 of the Ministry of Corporate Affairs except for certain classes of PPE which are depreciated based on the internal technical assessment of the management. The estimated useful lives of items of PPE for the current and comparative periods are as follows:

Particulars	**Useful life as per Schedule II**	**Management estimate of useful life**
Building - Factory	30 Years	30 Years
Office equipment	5 Years	3 - 5 Years
Plant and equipment	3 - 15 Years	3-15 Years
Lab Equipments	10 Years	10 Years
Electrical installations	10 Years	10 Years
Vehicles	10 Years	10 Years
Furniture and fittings	10 Years	10 Years
Computer and Printer	3-6 Years	6 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Depreciation on leasehold land and improvements carried out on buildings taken on lease is provided over the period of the lease or useful life of assets, whichever is lower.

Derecognition

An item of PPE is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Restated Consolidated Statement of Profit and Loss.

(d) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases in which the Group is a lessee

The Group's lease asset classes primarily consist of leases for buildings and leasehold land. The Group, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group elected to use the following practical expedients on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The Group recognises a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Restated Consolidated Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Restated Consolidated Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in Restated Consolidated Statement of Profit and Loss.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Group recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

(e) Intangible assets

Goodwill arising on business combinations is disclosed separately in the statement of assets and liabilities and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets (other than goodwill) that are acquired (including implementation of software system) are measured initially at cost. Cost of an item of intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Advances paid towards acquisition of intangible assets outstanding at each period/year end date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as intangible assets under development.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. All other expenditure is recognised in Restated Consolidated Statement of Profit and Loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in Restated Consolidated Statement of Profit and Loss.

The estimated useful life computer software for the current and comparative periods is 5 years.

Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

(f) Inventories

Inventories are valued at lower of cost or net realisable value. The method of determining cost of various categories of inventories are as follows:

Raw materials (except goods in transit)	Weighted average method
Traded goods	Weighted average method
Packing material	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Goods in transit	Specifically identified purchase cost

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The Group reviews the condition of its inventories and makes provision against obsolete and slow moving inventory items which are identified as no longer suitable for sale or use.

The comparison of cost and net realisable value is made on an item-by-item basis.

(g) Impairment

Impairment of financial assets

The Group recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Group in accordance with the contract and the cash flow that the Group expects to receive).

Expected credit losses are discounted at the effective interest rate of the financial asset.

Presentation of allowance for expected credit losses

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g head office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not subsequently reversed. An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(h) Revenue from contract with customers

Under Ind AS 115, the Group recognized revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods underlying the particular performance obligation is transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability is recognised when billings are in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by geography.

Use of significant judgements in revenue recognition:

a) The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c) The Group uses judgement to determine an appropriate selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative selling price of each distinct product or service promised in the contract.

d) The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

e) Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

f) Contract fulfilment costs are generally expensed as incurred except for certain expenses which meet the criteria for capitalisation. Such costs are amortised over the contractual period. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

g) Right of return - Group provides a customer with a right to return in case of any defects or on grounds of quality. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognizes a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognized for the right to recover products from a customer.

Export incentives

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(i) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(j) Government grant

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants related to capital assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in Restated Consolidated Statement of Profit and Loss as other income on a systematic basis.

Grants that compensate the Group for expenses incurred are recognised in Restated Consolidated Statement of Profit and Loss as other income on a systematic basis in the periods in which such expenses are recognised.

Grants related to income are deducted in reporting the related expense in the statement of profit and loss. Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(k) Employee benefits

Short-term employee benefits

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured on an undiscounted basis. A liability is recognised for the amount expected to be paid e.g., salaries, wages and bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

<u>Defined contribution plans</u>

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards employee provident fund and employee state insurance scheme (‘ESI’) to Government administered scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the Restated Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

<u>Defined benefit plans</u>

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Group’s net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Other long-term employee benefits

<u>Compensated absences</u>

As per the Group's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Group's obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is measured on the basis of an actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Restated Consolidated Statement of Changes in Equity and in the Restated Consolidated Statement of Assets and Liabilities. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Restated Consolidated Statement of Profit and Loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

(l) Borrowing costs

Borrowing costs are interest and other costs incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the Restated Consolidated Statement of Profit and Loss in the period in which they are incurred.

(m) Foreign currency transactions

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences on restatement/settlement of all monetary items are recognised in the Restated Consolidated Statement of profit and loss.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Restated Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets, recognized or unrecognized, are reviewed at each reporting date and recognised / reduced to the extent that it has become probable / no longer probable respectively that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities.

(o) Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(p) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

Contingent liabilities and contingent assets are reviewed at each reporting date and adjusted to reflect the current best estimates.

(q) Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Commitments are reviewed at each reporting date.

(r) Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

(s) Cash and cash equivalents

For the purpose of presentation in the Restated Consolidated Statement of Cash Flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(t) Restated Consolidated Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(u) Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(u) Share capital

i. Equity shares: Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

ii. Preference shares: The Group’s compulsorily convertible preference shares (“CCPS”) are classified as financial liabilities, because the instrument holders, in terms of the underlying agreement, had exit rights including requiring the Company to buy back shares held by them where upon the conversion ratio is also not fixed. Since both the conversion and redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, or convert the CCPS into equity shares, where the fixed for fixed condition is not met, therefore, CCPS have been considered a “hybrid” financial liability.

(v) Standards / amendments issued

The Group has considered the amendments to Schedule III of the Companies Act 2013 notified by Ministry of Corporate Affairs (“MCA”) via notification dated 24 March 2021 in the Restated Consolidated Financial Information, wherever applicable.

(w) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- **Ind AS 1 – Presentation of Financial Statements**
  The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

- **Ind AS 12 – Income Taxes**
  The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group does not expect this amendment to have any significant impact in its financial statements.

- **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**
  The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

Innova Captab Limited (CIN: U24246MH2005PLC150371)
Annexure VI-Notes to Restated Consolidated Financial Information
(Amount in INR millions, except for share data unless otherwise stated)

Note 3a - Property, plant and equipment

Gross carrying amount

Particulars	Freehold land	Building	Plant and equipment	Lab Equipment	Electrical equipments	Vehicles	Furniture and fixtures	Office equipment	Computer and printer	Total	Capital work-in-progress
Balance as at 1 April 2020	57.48	317.53	368.41	-	32.69	4.79	31.76	3.22	3.81	819.69	-
Additions	-	0.97	31.86	-	0.31	-	1.07	0.02	0.78	35.01	72.64
Acquisition of business on account of slump sale [Refer note 47(a)]	-	4.35	23.11	-	1.23	27.82	2.33	0.31	0.56	59.71	
Disposals	-	-	(3.46)	-	-	-	-	-	-	(3.46)	-
Balance as at 31 March 2021	**57.48**	**322.85**	**419.92**	**-**	**34.23**	**32.61**	**35.16**	**3.55**	**5.15**	**910.95**	**72.64**
Balance as at 1 April 2021	57.48	322.85	419.92	-	34.23	32.61	35.16	3.55	5.15	910.95	72.64
Additions	112.09	214.35	373.30	63.06	49.54	1.77	19.27	0.78	4.48	838.64	564.34
Acquisition of subsidiary [Refer note 47(b)]	-	28.25	0.48	-	1.22	2.71	0.35	0.91	0.78	34.70	-
Disposals	-	-	(1.17)	-	-	-	-	-	-	(1.17)	(636.67) #
Balance as at 31 March 2022	**169.57**	**565.45**	**792.53**	**63.06**	**84.99**	**37.09**	**54.78**	**5.24**	**10.41**	**1,783.12**	**0.31**
Balance as at 1 April 2022	169.57	565.45	792.53	63.06	84.99	37.09	54.78	5.24	10.41	1,783.12	0.31
Additions	-	6.82	25.89	0.79	0.24	2.52	1.52	0.56	2.73	41.07	255.15
Disposals	-	-	(0.58)	(4.30)	-	(0.06)	-	-	(0.05)	(4.99)	(40.03) #
Balance as at 31 March 2023	**169.57**	**572.27**	**817.84**	**59.55**	**85.23**	**39.55**	**56.30**	**5.80**	**13.09**	**1,819.20**	**215.43**
Accumulated depreciation											
Balance as at 1 April 2020	-	30.10	54.94	-	4.85	1.09	4.77	0.62	1.01	97.38	-
Depreciation for the year	-	10.51	29.41	-	4.71	0.58	3.73	1.14	1.99	52.07	-
Disposals	-	-	(2.09)	-	-	-	-	-	-	(2.09)	-
Balance as at 31 March 2021	**-**	**40.61**	**82.26**	**-**	**9.56**	**1.67**	**8.50**	**1.76**	**3.00**	**147.36**	**-**
Balance as at 1 April 2021	-	40.61	82.26	-	9.56	1.67	8.50	1.76	3.00	147.36	-
Depreciation for the year	-	12.89	38.62	1.80	6.27	3.55	4.57	1.20	1.52	70.42	-
Disposals	-	-	(0.26)	-	-	-	-	-	-	(0.26)	-
Balance as at 31 March 2022	**-**	**53.50**	**120.62**	**1.80**	**15.83**	**5.22**	**13.07**	**2.96**	**4.52**	**217.52**	**-**
Balance as at 1 April 2022	-	53.50	120.62	1.80	15.83	5.22	13.07	2.96	4.52	217.52	-
Depreciation for the year	-	18.58	55.31	5.87	8.31	3.95	5.52	1.00	2.54	101.08	-
Disposals	-	-	(0.16)	(0.24)	-	(0.06)	-	-	-	(0.46)	-
Balance as at 31 March 2023	**-**	**72.08**	**175.77**	**7.43**	**24.14**	**9.11**	**18.59**	**3.96**	**7.06**	**318.14**	**-**
Carrying amounts (net)											
As at 31 March 2021	**57.48**	**282.24**	**337.66**	**-**	**24.67**	**30.94**	**26.66**	**1.79**	**2.15**	**763.59**	**72.64**
As at 31 March 2022	**169.57**	**511.95**	**671.91**	**61.26**	**69.16**	**31.87**	**41.71**	**2.28**	**5.89**	**1,565.60**	**0.31**
As at 31 March 2023	**169.57**	**500.19**	**642.07**	**52.12**	**61.09**	**30.44**	**37.71**	**1.84**	**6.03**	**1,501.06**	**215.43**

Represents capital work in progress capitalised during the respective years.

Notes:

a. Refer note 19 for information on property, plant and equipment pledged as security by the Holding and subsidiary Company.

b. Refer note 45 (ii) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c. Plant and equipment includes INR Nil (31 March 2022: INR 7.44, 31 March 2021: INR 7.77) of capitalization towards research and development assets.

(Amount in INR millions, except for share data unless otherwise stated)

d. The Company has capitalized the following expenses to the cost of property, plant and equipment / capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of these amounts:

Particulars	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Employee benefits expense	14.96	12.16	1.59
Finance costs (Interest expense on financial liabilities measured at amortised cost - on borrowings)#	28.83	22.91	-
Other expenses	0.74	3.90	2.10
Total	**44.53**	**38.97**	**3.69**

Capitalisation of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalisation relating to general borrowings was INR 18.94 at 8.11 % (31 March 2022: INR 10.24 at 4.69 % , 31 March 2021: INR Nil)

e. Capital work in progress (CWIP) ageing schedule:

Particulars	**Amount in CWIP for a period of**				
	<1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress as at 31 March 2021	72.64	-	-	-	72.64
Projects in progress as at 31 March 2022	0.31	-	-	-	0.31
Projects in progress as at 31 March 2023	215.43	-	-	-	215.43

Note 3b - Goodwill and Other intangible assets

Gross carrying amount

Particulars	**Goodwill (Refer note (b) below)**	**Other intangible assets - Computer software**
Balance as at 1 April 2020	**-**	6.32
Additions - acquired	-	2.98
Balance as at 31 March 2021	-	**9.30**
Balance as at 1 April 2021	-	9.30
Additions - acquired	-	1.93
Additions - on acquisition of subsidiary*	166.94	0.06
Balance as at 31 March 2022	**166.94**	**11.29**
Balance as at 1 April 2022	**166.94**	**11.29**
Additions - acquired	-	4.80
Balance as at 31 March 2023	**166.94**	**16.09**

Accumulated amortization

Balance as at 1 April 2020	**-**	**2.33**
Additions	-	2.53
Balance as at 31 March 2021	-	**4.86**
Balance as at 1 April 2021	-	4.86
Additions	-	1.90
Balance as at 31 March 2022	-	**6.76**
Balance as at 1 April 2022	**-**	6.76
Additions	-	1.60
Balance as at 31 March 2023	-	**8.36**

Carrying amounts (net)

As at 31 March 2021	**-**	**4.44**
As at 31 March 2022	**166.94**	**4.53**
As at 31 March 2023	**166.94**	**7.73**

* Refer note 47(b)

Note:

a. As at years ended on 31 March 2023, 31 March 2022 and 31 March 2021 the estimated remaining amortization period for other intangible assets are as follows:

Particulars	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Computer Software	0.5-4 years	0.5-5 years	0.5-5 years

(Amount in INR millions, except for share data unless otherwise stated)

b. For the purposes of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the lowest level at which the goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments. The entire goodwill of INR 166.94 has been allocated to the purchase of business of Univentis Medicare Limited.

The recoverable amount of the above cash generating units was based on its value in use. The value in use of these units was determined to be higher than the carrying amount by INR 477.46 (31 March 2022: INR 536.59, 31 March 2021: NA) and an analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

i. The anticipated annual revenue growth and margin included in the cash flow projections for five years are based on past experience, actual operating results and the future business plan.
ii. The terminal growth rate is 5.00 % (31 March 2022; 5.00 %, 31 March 2021: Nil) representing management view on the future long-term growth rate.
iii. Post-tax discount rate of 14.58% (31 March 2022: 15.14%, 31 March 2021: Nil) was applied in determining the recoverable amount of the CGUs. The discount rate was estimated based on the weighted average cost of capital. Pre-tax discount rate is 19.48% (31 March 2022: 20.23%, 31 March 2021: Nil).
iv. Budgeted earning before interest, tax, depreciation and amortisation ("EBITDA") growth rate (average of next five years) of 15.00 % (31 March 2022: 15.00 %, 31 March 2021: Nil) was applied in management forecast, which represents a conservative revenue to EBIDTA ratio of 12% (average of next five years) (31 March 2022: 12%, 31 March 2023: Nil) which is in line with long term estimates and historic profitability of management.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

Note 4 - Right-of-use assets and lease liabilities

The Group has entered into agreements for leasing land and office premises. Land leases typically run for a period of 22 - 77 years. The leases for office premises typically run for a period of 6 years after which the lease is subject to termination at the option of lessee or lessor.

a. Information about leases for which the Group is a lessee is presented below :

Right-of-use assets - building	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Balance as at beginning of the year	5.76	3.99	5.25
Additions	6.70	-	-
Additions on acquisition of subsidiary (Refer note 47(b))	-	3.46	-
Depreciation for the year	(4.22)	(1.69)	(1.26)
Balance as at end of the year (A)	**8.24**	**5.76**	**3.99**

Right-of-use assets - land*	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Balance as at beginning of the year	87.52	19.38	-
Additions	61.15	55.16	-
Acquisition of business on account of slump sale (Refer note 47(a))	-	-	19.38
Additions on acquisition of subsidiary (Refer note 47(b))	-	14.00	-
Depreciation for the year	(3.87)	(1.02)	-
Balance as at end of the year (B)	**144.80**	**87.52**	**19.38**
Right-of-use assets (C=(A)+(B))	**153.04**	**93.28**	**23.37**

* Leasehold land includes leasehold land of INR Nil (31 March 2022: INR 19.38, 31 March 2021: INR 19.38) situated at Plot no. 81-A & 81-B, EPIP Phase I, Jharrnagri, Baddi, Solan which was acquired as part of acquisition of business on account of slump sale on 31 March 2021 (refer note 47(a)) for which the Holding Company has completed the formalities for transferring the lease deed in its own name in the year ended on 31 March 2023. The title deed holder for the year ended on 31 March 2022 and 31 March 2021 was not a promoter, director or relative of promoter/director or employee of promoter/director.

b. The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

c. Set out below are the carrying amounts of lease liabilities and reconciliation of movements to cash flows arising from financing activities during the year :

Lease liabilities included in statement of assets and liabilities	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Current	3.96	3.96	1.18
Non-current	13.84	5.90	3.53
Total	**17.80**	**9.86**	**4.71**
Balance as at beginning of the year	9.86	4.71	5.66
Additions	13.29	3.04	-
Additions on acquisition of subsidiary (Refer note 47(b))	-	4.55	-
Accreditation of interest	1.86	0.67	0.58
Payment of lease liabilities	(7.21)	(3.11)	(1.53)
Balance as at end of the year	**17.80**	**9.86**	**4.71**

d. As at year end date, the Group is not exposed to future cash flows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

e. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Maturity analysis – contractual undiscounted cash flows	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Less than one year	5.56	4.27	1.64
After one year but not longer than three years	7.14	3.76	3.99
More than three years	41.92	8.52	-
Total	**54.62**	**16.55**	**5.63**

(Amount in INR millions, except for share data unless otherwise stated)

f. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

g. The Group has also taken certain office premises and residential premises (used as guest house) on lease with contract terms within one year. These leases are short-term. The Company has elected not to recognize right-of-use-assets and lease liabilities for these leases. The expenses relating to short-term leases for which the recognition exemption has been applied have been charged to the Statement of Profit and Loss on straight line basis.

h. The table below provides details regarding amounts recognized in the Statement of Profit and Loss:

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Expenses relating to short-term leases	1.14	0.81	0.87
Interest on lease liabilities	1.86	0.67	0.58
Depreciation expense	8.09	2.71	1.26
Total	**11.09**	**4.19**	**2.71**

i. The following are the amounts recognized in the Statement of Cash Flow:

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Total cash outflow for leases (including short term leases)	8.35	3.92	2.40

j The weighted average incremental borrowing rate applied to lease liabilities as at the date of origination of lease is 8.94%-11.36% (31 March 2022: 11.05% - 11.36%, 31 March 2021: 11.05% - 11.36%)

Note 5: Investments	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Non-current investments			
Investments in equity shares			
Unquoted equity shares (at cost)			
- Shivalik Solid Waste Management Limited 250 (31 March 2022: 250, 31 March 2021: 250) equity shares of INR 10 each fully paid-up	0.00^	0.00^	0.00^
	0.00^	**0.00^**	**0.00^**
Aggregate book value of unquoted investments	0.00^	0.00^	0.00^
Aggregate amount of impairment in value of non-current investments	-	-	-

^ The total value of shares in absolute value was INR 2,500/- but for reporting rounded upto INR 0.00 million

Note 6 - Loans- Non current *(unsecured considered good, unless otherwise stated)*	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Loan to employees	4.78	2.19	-
	4.78	**2.19**	**-**

Note 7 -Other non-current financial asset (*unsecured considered good, unless otherwise stated*)	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Security deposit	5.40	7.13	34.95
Balance with banks-deposits accounts with original maturity more than 12 months #	0.19	0.62	-
	5.59	**7.75**	**34.95**

These deposits include restricted bank deposits INR 0.16 (31 March 2022: INR 0.27, 31 March 2021: INR Nil) pledged as margin money.

Note 8 - Income tax assets (net)	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Advance income tax and tax deducted at source [net of provision for income tax of INR 439.25 (31 March 2022: INR 159.65, 31 March 2021: INR 348.52)]	7.27	40.26	13.32
	7.27	**40.26**	**13.32**

Note 9 - Other non-current assets (*unsecured considered good, unless otherwise stated*)	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Capital advances	554.00	79.02	79.23
Prepaid expenses	2.43	2.16	-
	556.43	**81.18**	**79.23**

(Amount in INR millions, except for share data unless otherwise stated)

Note 10 - Inventories *(At lower of cost and net realizable value)*	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Raw materials #	575.21	666.83	554.92
Stores and spares	1.24	0.49	1.86
Work-in-progress	180.61	117.94	99.72
Finished goods #	32.44	82.64	110.77
Stock-in-trade #*	202.98	231.22	0.28
Packing material #*	180.68	184.74	146.90
	1,173.16	**1,283.86**	**914.45**
Notes:			
# Includes goods-in-transit			
- Raw material	66.68	26.89	109.03
- Finished goods	19.68	37.45	18.29
- Stock-in-trade	2.53	0.29	-
- Packing material	0.91	1.64	6.49
* Includes provision for slow moving inventory			
- Stock-in-trade	-	2.57	-
- Packing material	4.45	-	-

Note 11 - Trade receivables *(unsecured considered good, unless otherwise stated)*	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Trade receivables	2,652.11	1,970.36	1,046.45
Trade receivables from related party (refer note 40)	14.81	168.06	343.72
Less: expected credit loss allowance	(14.74)	(11.56)	(4.64)
	2,652.18	**2,126.86**	**1,385.53**

Break-up:	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	2,661.17	2,132.91	1,386.63
Trade receivables which have significant increase in credit risk	5.75	5.51	3.54
Trade receivables - credit impaired	-	-	-
	2,666.92	**2,138.42**	**1,390.17**
Less: expected credit loss allowance			
- Trade receivables considered good - secured	-	-	-
- Trade receivables considered good - unsecured	(8.99)	(8.07)	(1.10)
- Trade receivables which have significant increase in credit risk	(5.75)	(3.49)	(3.54)
- Trade receivables - credit impaired	-	-	-
Total trade receivables	**2,652.18**	**2,126.86**	**1,385.53**

Movement in expected credit loss allowance of trade receivables:	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Balance at the beginning of the year	11.56	4.64	-
Additions during the year	3.18	6.92	4.64
Balance at the end of the year	**14.74**	**11.56**	**4.64**

Trade receivable aging:

			Outstanding for following periods from due date of payment							
	Unbilled revenue	**Not Due**	**< 6 months**	**6 months to 1 year**	**1 year to 2 years**	**2 year to 3 years**	**> 3 years**	**Gross trade receivables**	**Expected credit loss allowance**	**Net trade receivables**
As at 31 March 2023										
Undisputed trade receivable - considered good	17.58	2,145.97	440.45	50.73	3.88	0.27	-	**2,658.88**	(6.70)	**2,652.18**
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	1.19	**1.19**	(1.19)	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-		-
Disputed trade receivable - considered good	-	-	-	-	-	-	2.29	**2.29**	(2.29)	-
Disputed trade receivable - considered doubtful	-	-	-	0.21	3.01	1.34	-	**4.56**	(4.56)	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**17.58**	**2,145.97**	**440.45**	**50.94**	**6.89**	**1.61**	**3.48**	**2,666.92**	**(14.74)**	**2,652.18**
As at 31 March 2022										
Undisputed trade receivable - considered good	6.64	1,480.16	618.40	24.05	1.37	-	-	**2,130.62**	(5.78)	**2,124.84**
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	1.18	**1.18**	(1.18)	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	2.29	**2.29**	(2.29)	-
Disputed trade receivable - considered doubtful	-	-	-	0.69	2.49	1.15	-	**4.33**	(2.31)	**2.02**
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**6.64**	**1,480.16**	**618.40**	**24.74**	**3.86**	**1.15**	**3.47**	**2,138.42**	**(11.56)**	**2,126.86**

(Amount in INR millions, except for share data unless otherwise stated)

	Outstanding for following periods from due date of payment									
	Unbilled revenue	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Gross trade receivables	Expected credit loss allowance	Net trade receivables
As at 31 March 2021										
Undisputed trade receivable - considered good	11.13	918.44	434.25	5.07	13.31	3.33	-	**1,385.53**	-	**1,385.53**
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	**1.10**	-	**1.10**	(1.10)	-
Disputed trade receivable - considered doubtful	-	-	-	**1.16**	**1.19**	**1.19**	-	**3.54**	(3.54)	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**11.13**	**918.44**	**434.25**	**6.23**	**14.50**	**5.62**	-	**1,390.17**	**(4.64)**	**1,385.53**

Note 12 - Cash and cash equivalents	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Balances with bank:			
- In current accounts	34.87	1.45	0.57
Cheques on hand	-	-	47.23
Cash on hand	0.38	0.07	0.15
	35.25	**1.52**	**47.95**
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:			
Balances with bank - In current accounts	34.87	1.45	0.57
Cheques on hand	-	-	47.23
Cash on hand	0.38	0.07	0.15
	35.25	**1.52**	**47.95**

Note 13 - Bank Balance other than above	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Bank deposits with original maturity of more than three months but less than twelve months #	153.50	22.87	70.99
	153.50	**22.87**	**70.99**

These deposits include restricted bank deposits INR 118.50 (31 March 2022: INR 15.64, 31 March 2021: INR 70.99) pledged as margin money.

Note 14 - Loans - Current *(unsecured considered good, unless otherwise stated)*	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Loan to employees	10.11	2.97	4.65
	10.11	**2.97**	**4.65**

Note 15 - Other current financial assets *(unsecured considered good, unless otherwise stated)*	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Interest accrued not due on fixed deposits	2.66	0.26	6.30
Export incentive recoverable	11.71	15.34	15.93
Security deposit	11.21	7.79	-
Recoverable from others	-	7.38	-
IPO expenses recoverable *	46.25	12.14	-
Advance to employees	0.11	0.11	
	71.94	**43.02**	**22.23**

Note 16 - Other current assets *(unsecured considered good, unless otherwise stated)*	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Balances with government authorities	244.02	276.90	247.08
Advances to suppliers	7.78	1.61	8.79
Advances to employees	2.86	1.90	-
Right to return goods	14.84	8.26	-
Prepaid expenses *	59.03	20.74	2.95
	328.53	**309.41**	**258.82**

* On 28 June 2022, the Holding Company has filed Draft Red Herring Prospectus with SEBI in connection with the proposed Initial Public Offer ('IPO') of equity shares of the Holding Company by way of fresh issue and an offer for sale by the existing shareholders. Accordingly, expenses incurred by the Company in connection with filing of Draft Red Herring Prospectus amounting to INR 46.25 (31 March 2022:INR 12.14, 31 March 2021:INR Nil) have been presented as "IPO expenses recoverable" included under "other current financial assets" as it is shall be partly recovered from the selling shareholders (as per the offer agreement) and INR 39.19 (31 March 2022: INR 12.14, 31 March 2023; INR Nil) is included in "prepaid expenses" under "other current assets" as it is shall be partly adjusted towards the securities premium.

(Amount in INR millions, except for share data unless otherwise stated)

Note 17 - Equity share capital

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Authorized			
64,000,000 (31 March 2022: 1,200,000, 31 March 2021: 1,200,000) equity shares of INR 10 each(31 March 2022: INR 100 , 31 March 2021: 100 each)	640.00	120.00	120.00
2,000,000 (31 March 2022: Nil, 31 March 2021: Nil) compulsorily convertible preference shares of INR 10 each(31 March 2022: INR Nil , 31 March 2021: INR Nil each)*	20.00	-	-
	660.00	**120.00**	**120.00**
Issued, subscribed and paid-up			
48,000,000 (31 March 2022: 1,200,000, 31 March 2021: 1,200,000) equity shares of INR 10 each fully paid up(31 March 2022: INR 100, 31 March 2021: INR 100 each)	480.00	120.00	120.00
	480.00	**120.00**	**120.00**

* 1.41 million compulsorily convertible preference shares of INR 10 each have been issued during the year ending 31 March 2023 and are classified as financial liability.

a) Rights, preferences and restrictions attached to equity shares

As per the memorandum of association, the Holding Company's authorized share capital consist of equity shares. All equity shares rank equally with regard to dividends and share in the Holding Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Shareholders are entitled to one vote per equity share held in the Holding Company. On winding up of the Holding Company, the holders of equity shares will be entitled to receive the residual assets of the Holding Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

b) Rights, preferences and restrictions attached to Compulsorily convertible preference shares

During year ended 31 March 2023, 1,412,430 compulsorily convertible preference shares ("CCPS") have been issued as fully paid with a par value of INR 354 per share (31 March 2022: nil, 31 March 2021: Nil). The CCPS holders of the Holding company, in terms of the underlying agreement, have exit rights including requiring the Company to buy back shares held by them where upon the conversion ratio is also not fixed. Each CCPS shall entitle its holder to preferential dividend at the rate of 0.01% (zero point zero one percent) per annum (“Preferential Dividend”) of its face value. The Preferential Dividend is participative and cumulative and shall accrue from year to year. In addition to the Preferential Dividend, each CCPS shall entitle its holder to also participate pari passu in any dividends paid to the holders of common equity shares of the Company (“Equity Shares”) on a pro-rata as converted basis. The holders of the CCPS shall not be entitled to vote on any matter except to the extent permitted under the Companies Act 2013 or other applicable laws.

c) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting year:

	As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	1,200,000	120.00	1,200,000	120.00	1,200,000	120.00
Sub division of 1 share of face value of INR 100 each to INR 10 each w.e.f 4 April 2022 (Increase in shares on account of sub-division)*	10,800,000	-	-	-	-	-
Add:- Bonus share issued during the year ended on 31 March 2023	36,000,000	360.00	-	-	-	-
Balance at the end of the year	**48,000,000**	**480.00**	**1,200,000**	**120.00**	**1,200,000**	**120.00**

***** The Shareholders of the Company, at the Extra ordinary general meeting held on April 4, 2022, had approved the sub-division of one equity share of face value 100/- each (fully paid-up) into 10 equity share of face value 10/- each. The record date for the said sub-division was set at April 4, 2022.

d) Details of shareholders holding more than 5 percent equity shares in the Group:

	As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Manoj Kumar Lohariwala #	19,036,000	39.66	475,900	39.66	475,900	39.66
Vinay Kumar Lohariwala #	14,436,000	30.08	360,900	30.08	243,900	20.33
Gian Parkash Aggarwal	14,512,000	30.23	362,800	30.23	479,800	39.98

\# identified as promotors

e) Bonus shares, shares buyback and issue of shares for consideration other than in cash during five years immediately preceding 31 March 2023.

During the five years immediately preceding 31 March 2023 ('the year'), the Company have not issued any bonus shares except given below. Further, no shares have been issued for consideration other than cash.

	As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Number of shares	Ratio	Number of shares	Ratio	Number of shares	Ratio
Bonus issue	36,000,000	3:1	-	-	-	-

f) Promoter Shareholding

Promoter's name	As at 31 March 2023			As at 31 March 2022			As at 31 March 2021		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Manoj Kumar Lohariwala	19,036,000	39.66	-	475,900	39.66	-	475,900	39.66	-
Vinay Kumar Lohariwala	14,436,000	30.08	-	360,900	30.08	9.76%	243,900	20.33	-
Gian Parkash Aggarwal	-	-	-	-	-	-	-	-	-
Archit Aggarwal	-	-	-	-	-	-	-	-	-
Veena Devi	-	-	-	-	-	-	-	-	-
Vandana Lohariwala	-	-	-	-	-	-	-	-	-
Chhavi Lohariwala	-	-	-	-	-	-	-	-	-

g) During the year ended 31 March 2022, the Holding Company has initiated the process of filing Draft Red Herring Prospectus with SEBI in connection with the proposed Initial Public Offer (‘IPO’) of equity shares of the Holding Company by way of fresh issue and an offer for sale by the existing shareholders. Separately, Gian Prakash Aggarwal,Archit Aggarwal,Veena Devi,Vandana Lohariwala and Chhavi Lohariwala represented to the Holding Company on 19 March 2022, 15 March 2022, 15 March 2022, 10 March 2022 and 5 March 2022 respectively that they never intended to / do not intend to be identified as a promoters of the Holding Company in regulatory filings with authorities, as applicable and Gian Prakash Aggarwal will hold not more than 20.50% in the post-offer shareholding. Consequently, Gian Prakash Aggarwal and Chhavi Lohariwala also resigned as non-executive directors of the Holding Company on 1 April 2022. Further, the Board of Directors has taken on record the above declaration basis which the Holding Company has revised its annual return filings for the year ended 31 March 2021 and has not identified Gian Prakash Aggarwal,Archit Aggarwal,Veena Devi,Vandana Lohariwala and Chhavi Lohariwala as promoter shareholders.

Note 18 - Other equity

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
a Capital reserve			
Balance at the beginning of the year	0.44	0.44	-
Add: Addition on acquisition of business on account of slump sale *	-	-	0.44
Balance at the end of the year	**0.44**	**0.44**	**0.44**
b Retained earnings			
Balance at the beginning of the year	1,965.62	1,327.77	983.54
Less : Bonus share issued during the year	(360.00)	-	-
Add: Profit for the year	679.54	639.53	345.00
Add: Other comprehensive (loss) for the year (remeasurement of defined benefit plans, net of tax)	(0.54)	(1.68)	(0.77)
Balance at the end of the year	**2,284.62**	**1,965.62**	**1,327.77**
Total	**2,285.06**	**1,966.06**	**1,328.21**

Nature of reserves:

a. Capital reserve: Capital reserve represents the accumulated excess of the fair value of net assets acquired under business combination over the aggregate consideration transferred.

b. Retained earnings: Retained earnings are the profits that the Group has earned till date, less any dividends or other distributions paid to shareholders.

* also refer to note 47(a)

(Amount in INR millions, except for share data unless otherwise stated)

Note 19 - Borrowings

A. Non-current borrowings	**Notes**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Secured:				
From banks				
Term Loan	(I)	654.19	510.99	116.00
Unsecured:				
From Others				
Deposits from directors (refer note 40)	(III)	249.90	269.90	-
Cumulative compulsorily convertible preference shares	(IV)	468.45	-	-
Less : Current maturities of non-current borrowings		(30.77)	(107.37)	(56.00)
		1,341.77	**673.52**	**60.00**

B. Current borrowings				
Secured				
From Banks				
Cash credit limit	(I)	0.84	743.06	216.18
Working Capital demand loan ('WCDL')		973.69	150.00	-
Export packing credit limit ('EPCL')		-	82.43	47.17
Credit Card		4.85	4.66	-
Term loan: current maturities of non current borrowings	(I)	30.77	107.37	56.00
Unsecured:				
From Others				
Deposits from directors (refer note 40)	(III)	-	220.78	70.91
		1,010.15	**1,308.30**	**390.26**

Notes I: Term loans (Including the current maturities of non-current borrowings)

					Non-current			**Current**		
Bank Name	**Nature of facility & currency**	**Rate of interest % (p.a.)**	**Repayment terms**	**Security**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
State Bank of India	Term Loan (INR) *	3 Month MCLR + 0.4%	102 monthly instalments from September 2017 after initial moratorium of 18 months (till August 2017) and having first 6 monthly instalments of INR 1.88, next 95 instalments of INR 3.00 and last instalment of INR 3.75	Equitable mortgage (first charge) on (b) and (c), Pari passu charge on (h), along with (a), (j) and (k)	-	50.00	86.00	-	-	-
	Cash Credit Limit (INR)	3 Month MCLR + 0.40%		Equitable mortgage (first charge) on (b), (c) and (d), First pari passu charge on (p) along with (j) and (k)	-	-	-	-	448.56	115.22
	WCDL (INR)	91 day T-bill linked			-	-	-	500.00	-	-
	EPCL (INR)	EBLR + 2.2%			-	-	-	-	-	47.17
	Cash Credit Limit (INR)	EBLR + 2.00%		Equitable mortgage (first charge) on (d), (n) and (o) along with	-	-	-	0.35	-	28.01
Yes Bank Limited	Term Loan (INR) *	3 Month MCLR + 0.05%	78 monthly instalments from December 2021 after initial moratorium period of 6 months (till November 2021) from the date of first disbursement amounting INR 2.55 per month and last instalment of INR 3.65	First pari passu charge on (b) (c), (d) and (h) along with (a), (j) and (k)	-	189.47	-	-	-	-
	Term Loan (INR) *	1 Month MCLR + 0.2%	60 monthly instalments from October 2017 after initial moratorium period of 12 months (till September 2017) from the date of first disbursement		-	10.00	30.00	-	-	-
	Term Loan (INR) *	3 Month MCLR + 0.15%	60 monthly instalments from April 2023 after initial moratorium period of 18 months (till March 2023) from the date of first disbursement	Exclusive charge on (f) along with (j)	-	69.87	-	-	-	-
	Cash Credit Limit (INR)	1 Month MCLR + 0.35%		First pari passu charge on (i), (b), (c) and (d) along with (j) and (k)	-	-	-	-	136.41	65.96
	WCDL (INR)	Overnight MIBOR + 1.28%			-	-	-	300.00	150.00	-
	EPCL (INR)	5.95%			-	-	-	-	82.43	-

(Amount in INR millions, except for share data unless otherwise stated)

					Non-current			Current		
Bank Name	**Nature of facility & currency**	**Rate of interest % (p.a.)**	**Repayment terms**	**Security**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
HDFC Bank	Term Loan (INR) *	3 M T Bill + 1.63%	24 quarterly instalments from October 2024 after initial moratorium of 24 months on repayment of principle (till September 2024) with monthly interest repayment from 1 December 2022.	First pari passu charge on (b), (c), (h) and (i), along with (a), (j) and (k)	492.87	-	-	-	-	-
	Credit Card (INR)	-		-	-	-	-	4.85	4.66	-
	WCDL (INR)	7.72%		(g), (j) and (l)	-	-	-	113.69		-
	Cash Credit Limit (INR)	1 Month MCLR + 0.35%		(g), (j) and (l)	-	-	-	0.05	100.49	-
Hongkong and Shanghai Banking Corporation Limited ("HSBC Ltd")	Term Loan (INR) *	TBLR + 3.23%	84 monthly instalments from December 2021 after initial moratorium period of 6 months (till November 2021)	First pari passu charge on (b), (c), (h) and (i), along with (a), (j) and (k)	110.57	131.53	-	-	-	-
	Term Loan (INR) *	TBLR + 3.23%	78 monthly instalments from March 2022 till August 2028		50.75	60.12	-	-	-	-
	WCDL (INR)	1 M T-bill + 1.34%		First pari passu charge on (b), (c) and (m) along with (j) and	-	-	-	60.00	-	-
	Cash Credit Limit (INR)	Overnight MCLR + 0.05%		First pari passu charge on (b), (c) and (m) along with (j) and	-	-	-	0.44	57.60	6.99
					654.19	**510.99**	**116.00**	**979.38**	**980.15**	**263.35**

**Term loans include the current maturities of non-current borrowings*

Note II: Security details

S. No.	Security details
(a)	Assets exclusively funded by the respective term loan lenders
(b)	Factory land and building comprised in Khata Khatauni no. 117 min/ 136, Khasra no 2123/1281, situated at Hilltop Industrial Estate, near EPIP, Phase-1, Jharmajri, Distt Solan, Baddi, Himachal Pradesh, admeasuring total area 14 bigha.
(c)	Factory land and building situated at Hill top Industrial Estate, near EPIP, Phase-1, Jharmajri, Distt Solan, Baddi, Himachal Pradesh admeasuring 21.17 bigha.
(d)	Factory land and building situated at Plot No. 81 A, EPIP, Phase I, Jharmajri, Baddi, Solan, Himachal Pradesh, admeasuring 2000 sq. meters and 81 B, EPIP, Phase I, Jharmajri, Baddi, Solan, Himachal Pradesh admeasuring 2000 sq. meters. This property was acquired by the Holding Company as part of slump sale from Innova Captab (partnership firm) as at 31 March 2021 and was transferred in the name of the Holding Company in the year ending on 31 March 2023.
(e)	Land and building located at Jammu, situated at industrial plot measuring 90 Kanals situated at SIDCO Industrial Complex Ghatti Kathua Phase-II covered under Khasra No 11 min 12.27 min village Nanan District Kathua and plant and machinery located at factory unit in Jammu.
(f)	Industrial Property located at Plot No. 320, Industrial Area, Phase- 1, Panchkula, Haryana.
(g)	Industrial property admeasuring 33,000 sq. meters situated at Plot No.63 EPIP Phase1, Baddi, District Solan, Jharmajri, owned by the Subsidiary Company.
(h)	Entire movable fixed assets of the Holding Company created out of bank finance
(i)	Entire current assets (present and future) of the Holding Company
(j)	Unconditional and irrevocable personal guarantee of Manoj Kumar Lohariwala, Vinay Kumar Lohariwala and Gian Prakash Agarwal for INR 300 each
(k)	30% share pledge of the Holding Company held by the promoters which has been released in year ended 31 March 2022
(l)	Primary stock and debtors of the Subsidiary Company
(m)	Entire fixed assets (movable and immovable) (present and future) of the Holding Company created out of bank finance
(n)	Entire movable fixed assets of the Innova Captab (partnership firm) that were acquired by the Holding Company as part of slump sale from Innova Captab (partnership firm) as at 31 March 2021
(o)	Stocks of raw material, stock-in-process, finished goods including stocks in transit and receivables arising there from both present and future of Innova Captab (partnership firm)
(p)	Stocks of raw material, stock-in-process, finished goods including stocks in transit and receivables arising there from both present and future of the Holding Company

Note III: Deposit from directors

The Company had taken deposits from Manoj Kumar Lohariwala and Vinay Kumar Lohariwala, that carry interest rate of 7% per annum and were repayable on demand and were therefore classified as current borrowings for the year ending 31 March 2021. The terms of repayment were amended in year ending on 31 March 2022 on the basis addendum to the loan agreement ("addendum") dated 31 March 2022 and as per the addendum, deposits are repayable on 30 March 2027 and therefore have been classified accordingly to non current borrowings. Further deposits from directors include total loan of INR 102.50 (31 March 2022: INR 202.50, 31 March 2021: Nil) from Gian Parkash Aggarwal who ceased to be a director with effect from 1 April 2022.

Note IV: Compulsorily convertible preference share

The Holding Company has issued 1,412,430 compulsorily convertible preference share (‘CCPS’) at face value of INR 10 and at premium of INR 344 per CCPS, during the year ended on 31 March 2023. The CCPS holders of the Holding Company, in terms of the underlying agreement, had exit rights that include requiring the company to buy back shares held by them upon occurrence of an event not under the control of the Holding company and where upon the conversion, the ratio of conversion is also not fixed but dependent upon share price at time of occurrence of such event. Accordingly, since both the conversion and redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, or convert the CCPS into equity shares, where the fixed for fixed condition is not met, therefore, CCPS have been considered a “non-current hybrid” financial liability, with a host non-derivative liability component for the interest and principal amount amounting to 401.30 million and a separable derivative component amounting to INR 98.70 million on the initial date of recognition as both the ratio and timing of conversion is uncertain . As per the requirements of IND AS 109, the derivative component has been re-measured at fair value on reporting date, amounting to INR 78.94 million and the change in fair value of liability of INR 19.76 million has been recognized as an income in the Statement of Profit and Loss for the year ended March 31, 2023.

(Amount in INR millions, except for share data unless otherwise stated)

C. The group has filed quarterly returns/statement of current assets with banks for the below mentioned quarters and there are certain variances between the amounts reported and amounts as per the books of accounts which are shown below:

Innova Captab Limited

Quarter end date	Particulars	Amount as per books of account	State Bank of India		Yes Bank Limited		HSBC Ltd	
			Amount as reported	Amount of difference	Amount as reported	Amount of difference	Amount as reported	Amount of difference
30 June 2020	Inventory	531.66	542.12	(10.46)	542.12	(10.46)	-	-
	Trade Receivable	1,021.82	945.62	76.20	925.06	96.76	-	-
	Trade Payable	581.97	566.48	15.49	566.48	15.49	-	-
30 September 2020	Inventory	481.71	479.44	2.27	479.44	2.27	479.44	2.27
	Trade Receivable	1,134.02	1,078.88	55.14	1,078.12	55.90	1,078.12	55.90
	Trade Payable	679.89	602.00	77.89	602.00	77.89	602.00	77.89
31 December 2020	Inventory	534.44	521.52	12.92	521.52	12.92	521.52	12.92
	Trade Receivable	1,176.33	1,253.72	(77.39)	1,148.80	27.53	1,148.80	27.53
	Trade Payable	781.18	734.00	47.18	734.00	47.18	734.00	47.18
31 March 2021	Inventory	914.45	556.85	357.60	556.85	357.60	556.85	357.60
	Trade Receivable	1,385.53	1,436.53	(51.00)	1,354.27	31.26	1,354.27	31.26
	Trade Payable	1,122.33	1,028.38	93.95	1,028.38	93.95	1,028.38	93.95
30 June 2021	Inventory	1,200.97	1,131.75	69.22	1,131.75	69.22	1,131.75	69.22
	Trade Receivable	2,020.50	1,963.25	57.25	1,924.53	95.97	1,924.53	95.97
	Trade Payable	1,895.92	1,749.70	146.22	1,749.70	146.22	1,749.70	146.22
30 September 2021	Inventory	919.72	916.71	3.01	916.71	3.01	916.71	3.01
	Trade Receivable	1,795.04	1,793.33	1.71	1,680.74	114.30	1,680.74	114.30
	Trade Payable	1,230.29	1,186.05	44.24	1,186.05	44.24	1,186.05	44.24
31 December 2021	Inventory	1,169.99	1,058.88	111.11	1,058.88	111.11	1,058.88	111.11
	Trade Receivable	1,440.65	1,539.63	(98.98)	1,539.63	(98.98)	1,539.63	(98.98)
	Trade Payable	1,214.71	1,287.31	(72.60)	1,287.31	(72.60)	1,287.31	(72.60)
31 March 2022	Inventory	1,052.86	1,053.15	(0.29)	1,053.63	(0.77)	1,053.63	(0.77)
	Trade Receivable	1,738.53	1,738.08	0.45	1,738.08	0.45	1,738.08	0.45
	Trade Payable	1,404.31	1,401.92	2.39	1,401.92	2.39	1,401.92	2.39
30 June 2022	Inventory	1,052.23	1,021.93	30.30	1,020.09	32.14	1,020.09	32.14
	Trade Receivable	1,764.77	1,722.96	41.81	1,722.96	41.81	1,722.96	41.81
	Trade Payable	1,563.33	1,575.96	(12.63)	1,575.96	(12.63)	1,575.96	(12.63)
30 September 2022	Inventory	888.58	888.60	(0.02)	888.57	0.01	888.57	0.01
	Trade Receivable	2,355.57	2,355.60	(0.03)	2,355.57	(0.00)	2,355.57	(0.00)
	Trade Payable	1,225.34	1,223.50	1.84	1,223.51	1.83	1,223.51	1.83
31 December 2022	Inventory	1,038.84	1,062.40	(23.56)	1,062.36	(23.52)	1,062.36	(23.52)
	Trade Receivable	2,359.69	2,359.20	0.49	2,359.16	0.53	2,359.16	0.53
	Trade Payable	1,545.72	1,571.50	(25.78)	1,571.52	(25.80)	1,571.52	(25.80)
31 March 2023	Inventory	972.72	985.38	(12.66)	985.38	(12.66)	985.38	(12.66)
	Trade Receivable	2,296.76	2,307.08	(10.32)	2,307.08	(10.32)	2,307.08	(10.32)
	Trade Payable	1,480.84	1,480.85	(0.01)	1,480.85	(0.01)	1,480.85	(0.01)

Univentis Medicare Limited (Refer note 47 (b))

Quarter end date	Particulars	Amount as per books of account	HDFC Bank	
			Amount as reported	Amount of difference
30 June 2021	Inventory	226.85	226.44	0.41
	Trade Receivable	781.84	781.84	-
	Trade Payable	524.02	523.21	0.81
30 September 2021	Inventory	226.19	223.52	2.67
	Trade Receivable	717.38	717.19	0.19
	Trade Payable	410.72	409.93	0.79
31 December 2021	Inventory	277.48	246.64	30.84
	Trade Receivable	566.17	613.87	(47.70)
	Trade Payable	201.93	197.49	4.44
31 March 2022	Inventory	249.46	271.93	(22.47)
	Trade Receivable	519.32	521.45	(2.13)
	Trade Payable	174.72	174.70	0.02
30 June 2022	Inventory	272.28	272.28	-
	Trade Receivable	519.53	519.53	-
	Trade Payable	164.16	164.16	-
30 September 2022	Inventory	238.12	238.12	-
	Trade Receivable	644.70	644.70	-
	Trade Payable	213.26	213.26	-
31 December 2022	Inventory	248.67	248.67	-
	Trade Receivable	653.93	653.93	-
	Trade Payable	430.43	430.43	-
31 March 2023	Inventory	219.30	219.41	(0.11)
	Trade Receivable	666.51	669.66	(3.15)
	Trade Payable	415.08	417.69	(2.61)

(Amount in INR millions, except for share data unless otherwise stated)

Innova Captab (Partnership firm) (Refer note 47 (a))

Quarter end date	Particulars	Amount as per books of account	State Bank of India	
			Amount as reported	Amount of difference
30 June 2020	Inventory	315.05	303.50	11.55
	Trade Receivable	367.29	352.82	14.47
	Trade Payable	301.51	287.82	13.69
30 September 2020	Inventory	232.05	221.17	10.88
	Trade Receivable	504.70	449.36	55.34
	Trade Payable	300.93	248.77	52.16
31 December 2020	Inventory	203.56	192.11	11.45
	Trade Receivable	541.22	474.04	67.18
	Trade Payable	309.85	267.44	42.41
31 March 2021	Inventory	215.49	214.85	0.64
	Trade Receivable	448.69	446.32	2.37
	Trade Payable	306.50	305.41	1.09

The quarterly returns/statement of current assets as submitted to banks compared to books of accounts reflected material discrepancies in above mentioned quarters as the Holding and subsidiary Company had not considered goods-in-transit while reporting the balance of inventories, had adjusted the advances from customers while reporting the balance of trade receivables and had adjusted advances to vendors while reporting the balance of trade payables as at respective quarter ends.

Further, the quarterly returns/statement of current assets submitted to banks were prepared before incorporating the impact of certain adjustments pertaining to cut off of revenue and purchase, overhead loading in inventories, accrual of interest towards MSME vendors as the Group did not have a formal quarterly closing process for its books of accounts. The Group has subsequently improved its processes for better reporting and submission of such data.

Further, in the year ended 31 March 2023, 31 March 2022 and 31 March 2021 the actual utilization of working capital remained within the bank sanction limits.

E. Undrawn borrowing

Innova Captab Limited

As at 31 March 2023

Bank	Nature of facility	Denomination of currency of facility	Sanctioned amount	Total drawn amount as at 31 March 2023	Total undrawn amount as at 31 March 2023
YES Bank Limited	Cash credit	INR	750.00	300.00	450.00
SBI Bank	Cash credit	INR	850.00	500.35	349.65
HDFC Bank Limited	Cash credit	INR	200.00	118.53	81.47
HSBC Limited	Cash credit	INR	100.00	60.44	39.56

As at 31 March 2022

Bank	Nature of facility	Denomination of currency of facility	Sanctioned amount	Total drawn amount as at 31 March 2022	Total undrawn amount as at 31 March 2022
YES Bank Limited	Cash credit	INR	750.00	368.83	381.17
SBI Bank	Cash credit	INR	550.00	448.56	101.44
HSBC Limited	Cash credit	INR	100.00	57.60	42.40

As at 31 March 2021

Bank	Nature of facility	Denomination of currency of facility	Sanctioned amount	Total drawn amount as at 31 March 2021	Total undrawn amount as at 31 March 2021
YES Bank Limited	Cash credit	INR	250.00	65.96	184.04
SBI Bank	Cash credit	INR	200.00	190.40	9.60
HSBC Limited	Cash credit	INR	100.00	6.99	93.01

Univentis Medicare Limited

As at 31 March 2023

Bank	Nature of facility	Denomination of currency of facility	Sanctioned amount	Total drawn amount as at 31 March 2023	Total undrawn amount as at 31 March 2023
HDFC Bank Limited	Cash credit	INR	300.00	0.05	299.95
HDFC Bank Limited	Bank Guarantee	INR	350.00	350.00	0.00

As at 31 March 2022

Bank	Nature of facility	Denomination of currency of facility	Sanctioned amount	Total drawn amount as at 31 March 2022	Total undrawn amount as at 31 March 2022
HDFC Bank Limited	Cash credit	INR	300.00	100.49	199.51

(Amount in INR millions, except for share data unless otherwise stated)

F. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Borrowings at the beginning of the year	1,981.79	450.26	535.12
Proceeds from non-current borrowings	495.13	1,085.50	-
Repayments of non-current borrowings	(350.56)	(390.63)	(56.09)
Proceeds from/ repayments of current borrowings (net)	(241.53)	613.98	(100.98)
Acquired on account of business combination [refer note 47(a) and 47(b)]	-	223.58	72.21
Transaction costs related to borrowings	(1.36)	(0.90)	-
Borrowings at the end of the year	**1,883.47**	**1,981.79**	**450.26**

Note 20 - Other non-current financial liabilities

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Derivatives**			
- Option value of compulsorily convertible preference share	78.94	-	-
	78.94	**-**	**-**

** Refer note 19 .

Note 21 - Provisions

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A. Non-current			
Provision for employee benefits:			
Provision for compensated absences	6.13	4.52	2.14
Provision for gratuity (refer note 39)	22.84	18.14	10.20
	28.97	**22.66**	**12.34**
B. Current			
Provision for employee benefits:			
Provision for compensated absences	1.63	1.55	1.24
Provision for gratuity (refer note 39)	4.20	1.95	3.11
	5.83	**3.50**	**4.35**
Others:			
Provision for litigation (refer note (a) below)	-	-	0.99
	5.83	**3.50**	**5.34**

Note:

(a) Provision for litigation			
Balance at the commencement of the year	-	0.99	-
Add: Provision made during the year	-	-	0.99
Less: Provision utilised/reversed during the year	-	(0.99)	-
Balance at the end of the year	**-**	**-**	**0.99**

Note 22 - Other non current liabilities

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Deferred government grant	0.85	0.85	1.29
	0.85	**0.85**	**1.29**

Note 23 - Trade payables

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro and small enterprises	5.73	14.31	34.82
Total outstanding dues of creditors other than micro and small enterprises #	1,579.10	1,433.73	1,087.51
	1,584.83	**1,448.04**	**1,122.33**

Also, the Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. Refer note 41 for the disclosure in respect of amounts payable to such enterprises as at year end that has been made in the Restated Consolidated Financial Information based on information available with the Group.

Includes due to related parties (refer note 40)

Trade payables ageing schedule:

As at 31 March 2023	**Outstanding for following periods from due date of payment**						
	Unbilled	**Not due**	**< 1 year**	**1 year to 2 years**	**2 year to 3 years**	**> 3 years**	**Total**
Outstanding dues of micro and small enterprises	-	2.31	3.42	-	-	-	**5.73**
Outstanding dues of creditors other than micro and small enterprises	13.46	1,296.06	264.56	0.19	4.83	-	**1,579.10**
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**13.46**	**1,298.37**	**267.98**	**0.19**	**4.83**	**-**	**1,584.83**

(Amount in INR millions, except for share data unless otherwise stated)

As at 31 March 2022	Outstanding for following periods from due date of payment						
	Unbilled	Not due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Outstanding dues of micro and small enterprises	-	12.27	2.04	-	-	-	**14.31**
Outstanding dues of creditors other than micro and small enterprises	52.42	1,180.15	201.16	-	-	-	**1,433.73**
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**52.42**	**1,192.42**	**203.20**	**-**	**-**	**-**	**1,448.04**

As at 31 March 2021	Outstanding for following periods from due date of payment						
	Unbilled	Not due	< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	Total
Outstanding dues of micro and small enterprises	-	34.62	0.20	-	-	-	**34.82**
Outstanding dues of creditors other than micro and small enterprises	13.61	932.98	140.23	0.67	-	0.02	**1,087.51**
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**13.61**	**967.60**	**140.43**	**0.67**	**-**	**0.02**	**1,122.33**

Note 24 - Other current financial liabilities	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Interest accrued but not due on borrowings	12.06	5.09	6.16
Employee related payables	62.45	54.66	27.07
Capital creditors			
- Total outstanding dues of micro and small enterprises*	-	-	-
- Total outstanding dues of other than micro and small enterprises	5.77	6.81	6.58
Security deposits	34.35	26.70	-
Payable on acquisition of business on account of slump sale #	-	-	542.50
	114.63	**93.26**	**582.31**

* Refer note 41 for disclosures required under MSMED Act.
# Refer note 47(a)

Note 25 - Other current liabilities	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Contract liabilities	24.67	35.83	44.92
Statutory dues	11.37	9.86	4.76
Refund liability	20.06	11.23	-
Deferred government grant	-	21.52	0.43
Advance from trustees	-	0.02	-
	56.10	**78.46**	**50.11**

Note 26 - Current tax liabilities (net)	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Provision for income tax [net of advance tax of INR Nil (31 March 2022: INR 209.53, 31 March 2021: INR Nil)	-	9.67	-
	-	**9.67**	**-**

Note 27 - Revenue from operations	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Sale of finished goods	8,298.32	7,452.52	3,834.91
Sale of traded goods	912.07	490.11	233.55
Sale of services	43.59	55.11	27.18
Other operating revenues			
- Export incentives	6.95	5.22	10.05
- Scrap sales	2.87	2.30	0.93
	9,263.80	**8,005.26**	**4,106.62**

Notes:

a. Reconciliation of revenue recognized (excluding other operating revenues) with the contract price is as follows:

Contract price	9,410.96	8,076.18	4,104.86
Adjustments for discounts and rebates	(136.92)	(76.40)	(9.22)
Refund liability	(20.06)	(2.04)	-
Revenue recognized	**9,253.98**	**7,997.74**	**4,095.64**

b. Contract Balances

Contract liability, which are included in 'other current liabilities' *	**24.67**	**35.83**	**44.92**

* Considering the nature of business of the Group, the above contract liability generally materializes as revenue within the same operating cycle.

(Amount in INR millions, except for share data unless otherwise stated)

c. Revenue from sale of goods and services disaggregated by primary geographical market	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
India	8,447.35	7,229.93	3,697.73
Outside India	806.63	767.81	397.91
Total revenue from contracts with customers	**9,253.98**	**7,997.74**	**4,095.64**

d. Timing of Revenue recognition			
Product transferred at point in time	5,399.55	4,708.79	1,979.31
Product and Services transferred over time	3,854.43	3,288.95	2,116.33
Revenue from contract with customers	**9,253.98**	**7,997.74**	**4,095.64**

Note 28 - Other income	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income			
- on bank deposits	7.11	1.41	2.35
Amortisation of government grant	21.52	0.43	0.43
Net gain on sale of property, plant and equipment	2.86	-	1.50
Gain on fair valuation of compulsorily convertible preference shares	19.76	-	-
Gain on foreign exchange fluctuation (net)	32.28	16.98	4.47
Miscellaneous income	8.45	10.01	4.96
	91.98	**28.83**	**13.71**

Note 29- Cost of materials consumed	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw material	5,076.64	4,851.87	2,637.77
Packing material	1,389.42	884.50	376.83
	6,466.06	**5,736.37**	**3,014.60**

Movement of raw materials consumption (including purchased components and packing material consumed)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventory at the beginning of the year	852.06	703.68	473.27
Add: Purchases #	6,371.13	5,884.75	3,075.06
Add: Inventory on acquisition of business on account of slump sale [refer note 47(a)]	-	-	169.95
Less: Inventory at the end of the year *	757.13	852.06	703.68
	6,466.06	**5,736.37**	**3,014.60**

* Includes goods-in-transit
# net of provision for obsolete inventory INR 4.45 (31 March 2022 INR Nil, 31 March 2021: INR Nil)

Note 30- Purchase of stock-in-trade	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Purchase of stock-in-trade	447.91	387.80	75.99
	447.91	**387.80**	**75.99**

Note 31 - Changes in inventories of finished goods, work-in-progress and stock-in-trade	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance			
- Finished goods	82.64	110.77	97.18
- Work-in-progress	117.94	99.72	83.81
- Stock-in-trade	233.79	0.28	0.60
- Right to return goods	8.26		
Add: Inventory on acquisition of business on account of slump sale (refer note 47(a))			
- Finished goods	-	-	9.94
- Work-in-progress	-	-	35.59
Add: Inventory on acquisition of subsidiary (refer note 47(b))			
- Stock-in-trade	-	277.44	-
- Right to return goods	-	9.31	-
Less: Utilised as CSR expenditure			
- Stock-in-trade	10.11	-	-
Closing balance			
- Finished goods	32.44	82.64	110.77
- Work-in-progress	180.61	117.94	99.72
- Stock-in-trade	202.98	233.79	0.28
- Right to return goods	14.84	8.26	-
	1.65	**54.89**	**16.35**

(Amount in INR millions, except for share data unless otherwise stated)

Note 32 - Employee benefits expense	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Salaries, wages and bonus	503.05	371.30	203.85
Contribution to provident and other funds (refer note 39)	32.36	23.72	13.32
Staff welfare expenses	12.56	9.57	6.17
	547.97	**404.59**	**223.34**

Note 33 - Finance costs	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Interest expense on financial liabilities measured at amortised cost :			
- on borrowings (other than compulsorily convertible preference shares)	97.82	48.29	32.36
- on compulsorily convertible preference shares	67.15	-	-
- on lease liabilities	1.86	0.68	0.58
Interest to others *	22.53	4.05	2.92
Other borrowing cost	10.37	3.78	3.41
	199.73	**56.80**	**39.27**

* Includes interest on shortfall of income tax of INR 0.12 [31 March 2022: INR 1.35; 31 March 2021: INR 1.16]

Note 34 - Depreciation and amortization expense	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Depreciation on property, plant and equipment (refer to note 3a)	101.08	70.42	52.07
Amortization of other intangible assets (refer to note 3b)	1.60	1.90	2.53
Depreciation on right-of-use assets (refer to note 4)	8.09	2.71	1.26
	110.77	**75.03**	**55.86**

Note 35 - Other expenses	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Power and fuel	95.14	79.14	54.78
Stores and spares consumed	42.92	37.85	17.09
Sub contracting charges	22.49	32.11	9.33
Packing charges	70.60	60.30	35.44
Lab consumables	29.80	14.93	9.73
Repairs and maintenance			
- Plant and machinery	26.00	5.62	6.82
- Building	3.08	0.32	0.83
- Others	8.67	31.82	12.19
Commission on sales	93.88	44.41	15.51
Sales promotion expense	9.10	9.29	-
Freight charges	39.45	15.64	6.27
Rates, fees and taxes	49.95	19.17	9.65
Legal and professional fee (refer note (a) below)	17.12	9.08	5.71
CSR expenditure (refer note (c) below)	14.35	7.32	2.56
Travelling and conveyance	66.04	25.84	9.49
House keeping expense	18.76	14.83	6.85
Security expenses	9.56	7.74	5.97
Printing and stationery	6.69	6.90	5.25
Rent	1.14	0.81	0.87
Expected credit loss on trade receivables	1.19	6.91	4.64
Bad debts written off	4.36	1.19	1.92
Insurance	10.81	7.45	6.44
Net loss on sale of property, plant and equipment	-	0.07	-
Director sitting fees	2.02	0.08	0.25
Provision for obsolete Inventory	-	2.57	-
Miscellaneous expenses	20.62	20.02	3.89
	663.74	**461.41**	**231.48**

(a) Includes payment to auditors (excluding goods and services tax)	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
As auditor:			
- Statutory audit	4.00	2.44	2.25
- Certification	-	0.55	-
- Reimbursement of expenses	0.20	0.13	0.11
Total	**4.20**	**3.12**	**2.36**

(Amount in INR millions, except for share data unless otherwise stated)

(b) Excludes payment to auditors (excluding goods and services tax) in relation to proposed IPO*

- Fees	13.55	9.58	-
- Reimbursement of expenses	0.13	0.48	-
	13.68	**10.06**	**-**

*Total expenses (including auditor fees) in relation to proposed IPO of INR 46.25 (31 March 2022:INR 12.14, 31 March 2021:INR Nil) and INR 39.19 (31 March 2022: INR 12.14, 31 March 2021: INR Nil) have been included in "IPO expenses recoverable" under other current financial assets and "prepaid expenses" under other current assets respectively.

(c) Details of CSR expenditure:	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
(i) Amount required to be spent by the Group during the year:	14.24	9.18	4.98
(ii) Amount of expenditure incurred on:			
- Construction/acquisition of any asset:	-	-	-
- On purposes other than above:	22.37	10.04	4.98
(iii) Shortfall at the end of the year:	-	-	-
(iv) Total of previous years shortfall:	-	-	-
(v) Reason for shortfall:	-	-	-
(vi) Nature of CSR activities:	Eradication of hunger and malnutrition, promoting education, promoting rural sports, art and culture, healthcare, destitute care and rehabilitation, animal welfare and COVID-19 relief.		
(vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard.	6.97	-	NA

(viii) CSR expenditure amounting to INR 6.97 has been incurred by Univentis foundation through various implementing agencies.

Note 36 - Tax expense

a. Amount recognised in Statement of Profit and Loss (including other comprehensive income):

Current tax:			
- Current year	223.02	217.37	114.98
- Changes in estimates related to prior year	(4.42)	0.78	-
Deferred tax:			
- Attributable to origination and reversal of temporary differences	19.63	(1.05)	3.20
Total tax expense recognized	**238.23**	**217.10**	**118.18**

(Amount in INR millions, except for share data unless otherwise stated)

b. Reconciliation of effective tax rate	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Profit before tax	**917.95**	**857.20**	**463.44**
Tax at India's statutory tax rate of 25.17%	231.05	215.76	116.65
Tax effect of non-deductible expenses	11.78	1.13	1.79
Changes in estimates related to prior year	(4.42)	0.78	-
Income tax expense recognized in the statement of profit and loss	**238.41**	**217.67**	**118.44**

c. Income tax expense recognized in other comprehensive income

Arising on income and expenses recognized in other comprehensive income			
Remeasurement of defined benefit obligation	0.18	0.57	0.26
Total income tax recognized in other comprehensive income	**0.18**	**0.57**	**0.26**
Bifurcation of the income tax recognized in other comprehensive income into:-			
Items that will not be reclassified to profit or loss	0.18	0.57	0.26
	0.18	**0.57**	**0.26**

d. Deferred tax balances reflected in statement of assets and liabilities:	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Deferred tax asset	1.20	2.20	4.86
Deferred tax liability	39.21	20.57	24.12
Deferred tax liability (net)	**38.01**	**18.37**	**19.26**

e. Movement in deferred tax balances

	As at 1 April 2022	**Recognized in Statement of Profit and Loss**	**Recognized in Other Comprehensive Income**	**Acquisition of subsidiary***	**As at 31 March 2023**
Deferred tax liability					
Excess depreciation as per Income tax Act, 1961 over books	37.47	21.33	-	-	58.80
Unbilled revenue	0.35	0.33	-	-	0.68
Lease liabilities	-	0.89	-	-	0.89
Deferred tax liability (A)	**37.82**	**22.55**	**-**	**-**	**60.37**
Deferred tax asset					
Expenses allowable on payment basis	10.19	2.14	0.18	-	12.51
Expected credit loss allowance on trade receivables	3.42	0.34	-	-	3.76
Lease liabilities	0.22	(0.22)	-	-	-
Deferred income on grants	0.32	(0.10)	-	-	0.22
Unrealised profit on stock	4.65	0.10	-	-	4.75
Provision for obsolete inventory	0.65	0.48	-	-	1.13
Deferred tax asset (B)	**19.45**	**2.74**	**0.18**	**-**	**22.36**
Deferred tax liability (net) (A-B)	**18.37**	**19.81**	**(0.18)**	**-**	**38.01**

	As at 1 April 2021	**Recognized in Statement of Profit and Loss**	**Recognized in Other Comprehensive Income**	**Acquisition of subsidiary***	**As at 31 March 2022**
Deferred tax liability					
Excess depreciation as per Income tax Act, 1961 over books	21.32	15.31	-	0.84	37.47
Unbilled revenue	2.80	(2.45)	-	-	0.35
Deferred tax liability (A)	**24.12**	**12.86**	**-**	**0.84**	**37.82**
Deferred tax asset					
Expenses allowable on payment basis	3.08	6.09	0.57	0.45	10.19
Expected credit loss allowance on trade receivables	1.17	2.25	-	-	3.42
Lease liabilities	0.18	(0.19)	-	0.23	0.22
Deferred income on grants	0.43	(0.11)	-	-	0.32
Unrealised profit on stock	-	4.65	-	-	4.65
Provision for obsolete inventory	-	0.65	-	-	0.65
Deferred tax asset (B)	**4.86**	**13.34**	**0.57**	**0.68**	**19.45**
Deferred tax liability (net) (A-B)	**19.26**	**(0.48)**	**(0.57)**	**0.16**	**18.37**

	As at 1 April 2020	**Recognized in Statement of Profit and Loss**	**Recognized in Other Comprehensive Income**	**Acquisition of subsidiary***	**As at 31 March 2021**
Deferred tax liability					
Excess depreciation as per Income tax Act, 1961 over books	13.44	7.88	-	-	21.32
Unbilled revenue	6.46	(3.66)	-	-	2.80
Deferred tax liability (A)	**19.90**	**4.22**	**-**	**-**	**24.12**
Deferred tax asset					
Expenses allowable on payment basis	3.20	(0.38)	0.26	-	3.08
Expected credit loss allowance on trade receivables	-	1.17	-	-	1.17
Lease liabilities	0.10	0.08	-	-	0.18
Deferred income on grants	0.54	(0.11)	-	-	0.43
Deferred tax asset (B)	**3.84**	**0.76**	**0.26**	**-**	**4.86**
Deferred tax liability (net) (A-B)	**16.06**	**3.46**	**(0.26)**	**-**	**19.26**

* Refer note 47(b)

(Amount in INR millions, except for share data unless otherwise stated)

Note 37 - Earnings per share	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
i. Profit for basic/diluted earning per share of face value of INR 10 each			
Profit for the year	679.54	639.53	345.00
ii. Calculation of Weighted average number of equity shares for (basic and diluted)			
Number of equity shares at the beginning and end of the year	**48,000,000**	**48,000,000**	**48,000,000**
Basic and diluted earnings per share (face value of INR 10 each)	**14.16**	**13.32**	**7.19**

Note: The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for sub-division of shares and issue of bonus shares in the year ending on 31 March 2023, in accordance with Ind AS 33 - Earnings per Share.

Note 38 - Segment information

The Board of Directors monitors the operating results of this segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Restated Consolidated Financial Information. For management purpose, the Group has identified " Drugs and pharmaceutical products" as single operating segment.

a. Information about products and services

	For the year ended 31 March 2023	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
Revenue from drugs and pharmaceutical products	9,253.98	7,997.74	4,095.64
Total	**9,253.98**	**7,997.74**	**4,095.64**

b. Information about geographical areas

The geographical information analyses the Group’s revenues by the Holding Company’s country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Group’s consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

i) Revenue from customers	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**For the year ended 31 March 2021**
India	8,447.35	7,229.93	3,697.73
Outside India	806.63	767.81	397.91
	9,253.98	**7,997.74**	**4,095.64**

ii) Trade receivables	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**	**As at 31 March 2021**
India	2,443.85	1,894.90	1,243.85
Outside India	208.33	231.96	141.68
	2,652.18	**2,126.86**	**1,385.53**

iii) Non-current assets

The Group has common non-current assets for business in domestic and overseas markets. Hence, separate figures for non-current assets/ additions to property, plant and equipment have not been furnished.

c. Information about major customers (from external customers)

For year ended 31 March 2023, none of the customer of the Group constituted more than 10% of the total revenue of Group, (31 March 2022: none of the customer of the Group constituted more than 10% of the total revenue of Group, 31 March 2021: two customer of the Group constituted more than 10% of the total revenue of Group amounting to INR 1,255.00).

(Amount in INR millions, except for share data unless otherwise stated)

Note 39 - Employee benefits

a. Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund and Employee State Insurance Scheme ('ESI') which are collectively defined as defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund and ESI are as follows:

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Provident fund	27.44	19.80	10.97
ESI contribution	4.93	3.92	2.35
	32.37	**23.72**	**13.32**

b. Defined benefit plans

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognized immediately in the Other Comprehensive Income (OCI).

This is an unfunded benefit plan for qualifying employees. This scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The above defined benefit plan exposes the Group to following risks:
Interest rate risk:
The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk:
The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
Demographic risk:
This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i. Reconciliation of present value of defined benefit obligation			
Balance at the beginning of the year	20.09	13.31	6.47
On account of business combination during the year	-	0.57	3.87
Interest cost	1.45	0.92	0.44
Current service cost	5.58	3.69	1.65
Past service cost	-	-	-
Benefits paid	(0.72)	(0.65)	(0.15)
Actuarial loss recognized in other comprehensive income			
- from changes in financial assumptions	(2.73)	(0.25)	-
- from changes in demographic assumptions	2.23	1.42	-
- from experience adjustments	1.22	1.08	1.03
Balance at the end of the year	**27.12**	**20.09**	**13.31**

	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
ii. Amount recognized in statement of profit and loss			
Interest cost	1.45	0.92	0.44
Current service cost	5.58	3.69	1.65
Past service cost	-	-	-
	7.03	**4.61**	**2.09**
iii. Remeasurements recognized in other comprehensive income			
Actuarial loss for the year on defined benefit obligation	0.72	2.25	1.03
	0.72	**2.25**	**1.03**

(Amount in INR millions, except for share data unless otherwise stated)

iv. Actuarial assumptions

(i) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	7.39%	7.18%	6.76%
Future salary growth rate (per annum)	3.00%	5.00%	5.30%
Expected average remaining working lives (years)	26.06-27.54	27.19-27.43	28.01

(ii) Demographic assumptions

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Retirement age (years)	58	58	58
Mortality rate	100% (IALM) (2012-14)	100% (IALM) (2012-14)	100% (IALM) (2012-14)
Attrition rate (per annum)			
Up to 30 years	4.17% - 50%	27% - 50%	47%
From 31 to 44 years	20% - 51%	16% - 51%	47%
Above 44 years	10.43% - 44%	11% - 29%	47%

v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Increase			
Discount rate (0.5% movement)	(0.60)	(0.49)	(0.34)
Future salary growth rate (0.5% movement)	0.65	0.51	0.37
Decrease			
Discount rate (0.5% movement)	0.63	0.52	0.37
Future salary growth rate (0.5% movement)	(0.63)	(0.50)	(0.35)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vi. Expected maturity analysis of the defined benefit plan in future years

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Within 1 year (next annual reporting period)	4.20	2.95	3.11
Between 1 to 6 years	13.18	9.56	6.54
Beyond 6 years	9.73	7.59	3.66
Total expected payments	**27.11**	**20.10**	**13.31**

vii. Weighted average duration and the expected employers contribution for next year of the defined benefit plan:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Weighted average duration of the defined benefit plan (in years)	1.50 - 6.45	2.13 - 3.82	1.54
Expected employers contribution for next year	8.73	6.22	3.28

Note 40 - Related parties

I- Disclosure post elimination of intra group entries

A. List of related parties and nature of relationship with whom transactions have taken place during the current and previous years

Description of Relationship	Name of the Party
Key management personnel ('KMP')	Mr. Manoj Kumar Lohariwala (Chairman & Whole Time Director)
	Mr. Vinay Kumar Lohariwala (Whole Time Director- till 17 March 2022) (Managing Director- with effect from 18 March 2022)
	Mr. Jayant Vasudeo Rao (Whole Time Director)
	Mr. Archit Aggarwal (Non-executive Director - w.e.f 1 April 2022)
	Ms. Priyanka Sibal (Independent Director- w.e.f 1 April 2022)
	Mr. Sudhir Kumar Bassi (Independent Director- w.e.f 1 April 2022)
	Mr. Shirish Gundopant Belapure (Independent Director- w.e.f 1 April 2022)
	Mr. Mahendar Korthiwada (Independent Director- w.e.f 1 April 2022)
	Ms. Chhavi Lohariwala (Executive Director) (till 1 April 2022)
	Mr. Gian Parkash Aggarwal (Non-executive Director) (till 1 April 2022)
	Mr. Pradosh Kumar (Non Executive Independent Director) (till 1 April 2022)
	Mr. Anup Agarwal (Non Executive Independent Director) (till 1 April 2022)
	Mr. Purushottam Sharma (Executive Director)
	Mr. Rishi Gupta (Chief Financial officer) (w.e.f 1 April 2022) (till 26 April 2023)
	Ms. Neeharika Shukla (Company Secretary) (w.e.f 1 April 2022)
	Ms. Priyanka Jangid (Company Secretary) (w.e.f 1st November 2022)
	Mr. Mukesh Kumar (Chief Financial officer) (till 1 April 2022)
	Mr. Rajveer Singh(Company Secretary) (25 January 2022- 01 April 2022)
	Ms. Shikha Kanwar (Company Secretary) (till 24th Jan 2022)
	Ms. Anita Khurana (Company Secretary) (upto 15 October 2020)

(Amount in INR millions, except for share data unless otherwise stated)

Entities in which KMP and/or their relatives have significant influence	Univentis Medicare Limited (upto 31 December 2021)
	Innova Captab (partnership firm)
	Azine Healthcare Private Limited
	Pharmatech Healthcare
	DMS Electronics Private Limited
	Nugenic Pharma Private Limited
	Signum Electrowave
	Shubh Packaging

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant year

	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
1	**Revenue from operations (net of returns)**			
	Univentis Medicare Limited	-	809.07	674.30
	Azine Healthcare Private Limited	5.29	23.29	5.84
	Pharmatech Healthcare	14.25	14.09	5.45
	DMS Electronics Private Limited	-	-	21.82
	Innova Captab (partnership firm)	-	-	81.32
	Nugenic Pharma Private Limited	0.05	0.13	0.06
2	**Sale of Merchandise Exports from India Scheme Licence**			
	Innova Captab (partnership firm)	-	-	4.72
3	**Sale of asset**			
	Nugenic Pharma Private Limited	-	0.49	-
4	**Purchase of raw material and/or packing material**			
	Univentis Medicare Limited	-	5.36	4.10
	Shubh Packaging	112.22	73.61	17.17
	Azine Healthcare Private Limited	0.34	-	-
	Innova Captab (partnership firm)	-	-	63.17
	Nugenic Pharma Private Limited	562.08	418.77	226.53
5	**Purchase of store and spares**			
	Nugenic Pharma Private Limited	6.23	3.35	1.36
	Shubh Packaging	0.13	-	-
6	**Packing charges**			
	Shubh Packaging	0.13	0.03	-
7	**Repairs and maintenance**			
	Nugenic Pharma Private Limited	-	-	0.07
8	**Loans repaid during the year**			
	Manoj Kumar Lohariwala	41.07	70.05	48.64
	Vinay Kumar Lohariwala	99.71	151.46	7.93
	Gian Prakash Aggarwal	100.00	45.00	-
9	**Loans received during the year**			
	Manoj Kumar Lohariwala	-	154.00	20.00
	Vinay Kumar Lohariwala	-	164.00	-
	Gian Prakash Aggarwal	-	247.50	-
10	**Finance costs**			
	Manoj Kumar Lohariwala	8.02	3.15	1.62
	Vinay Kumar Lohariwala	5.65	3.86	5.56
	Gian Prakash Aggarwal	7.97	6.55	-
11	**Loans given to employees**			
	Mukesh Kumar	-	0.24	-
	Rishi Gupta	5.00	-	-
12	**Loans repaid by employees**			
	Mukesh Kumar	0.14	0.14	0.11
13	**Sitting fees**			
	Anup Agarwal	-	0.03	0.12
	Pradosh Kumar	-	0.04	0.13
	Priyanka Dixit Sibal	0.43	-	-
	Sudhir Kumar Bassi	0.84	-	-
	Shirish G Belapure	0.47	-	-
	K Mahendar	0.28	-	-

(Amount in INR millions, except for share data unless otherwise stated)

	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
14	**CSR contribution**			
	Vinay kumar Lohariwala	-	0.02	-
15	**Financial guarantee charges#**			
	Manoj Kumar Lohariwala	0.60	-	-
	Vinay Kumar Lohariwala	0.60	-	-
	Gian Parkash Aggarwal	0.30	-	-
16	**Employee benefits expenses ***			
	Vinay Kumar Lohariwala	4.80	4.80	-
	Manoj Kumar Lohariwala	4.80	4.80	-
	Jayant Vasudeo Rao	1.47	1.34	1.16
	Rajveer Singh	-	0.19	-
	Shikha Kanwar	-	0.30	0.15
	Rishi Gupta	8.81	-	-
	Neeharika Shukla	0.54	-	-
	Priyanka jangid	0.16	-	-
	Purushottam Sharma	0.45	-	-
	Mukesh Kumar	-	1.62	1.33
	Anita Khurana	-	-	0.14

* Break-up of compensation of key managerial personnel of the Group	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term employee benefits	21.03	13.05	2.78
Post-employment benefits	2.09	1.97	1.90
Total compensation paid to key management personnel	**23.12**	**15.02**	**4.68**

The amount disclosed above in the table are the amounts recognized as expense during the reporting period related to key management personnel

Refer note 19 for details of personal guarantee provided by Vinay Kumar Lohariwala, Manoj Kumar Lohariwala and Gian Prakash Aggarwal for the borrowing facilities availed by the group.

C. Balances outstanding at year end

	Nature of balances	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
1	**Non current borrowings**			
	Gian Prakash Aggarwal	102.50	100.00	-
	Manoj Kumar Lohariwala	84.00	-	-
	Vinay Kumar Lohariwala	63.40	-	-
2	**Current Borrowings**			
	Manoj Kumar Lohariwala	-	125.07	20.05
	Vinay Kumar Lohariwala	-	163.11	50.86
	Gian Prakash Aggarwal	-	102.50	-
3	**Trade payables**			
	Univentis Medicare Limited	-	-	0.32
	Nugenic Pharma Private Limited	85.04	105.44	129.07
	Shubh Packaging	2.73	-	-
	Azine Healthcare Private Limited	0.09	-	-
4	**Advance to supplier**			
	Shubh Packaging	-	-	1.09

(Amount in INR millions, except for share data unless otherwise stated)

5	**Trade receivables**			
	Pharmatech Healthcare	10.50	7.76	11.22
	DMS Electronics Private Limited	-	-	21.82
	Azine Healthcare	4.31	6.76	6.18
	Signum Electrowave	-	-	33.66
	Univentis Medicare Limited	-	153.54	304.50
6	**Payable on account of acquisition of business on account of slump sale**			
	Innova Captab (partnership firm)	-	-	542.50
7	**Interest accrued but not due on borrowings**			
	Manoj Kumar Lohariwala	1.48	0.33	0.14
	Vinay Kumar Lohariwala	0.79	1.55	5.14
	Gian Prakash Aggarwal	1.77	-	-
8	**Loan outstanding to employees**			
	Mukesh Kumar	-	0.10	0.24
	Rishi Gupta	5.00	-	-
9	**Employee related payables**			
	Manoj Kumar Lohariwala	0.30	0.30	-
	Vinay Kumar Lohariwala	0.30	0.30	-
	Jayant Vasudeo Rao	0.11	0.10	0.09
	Mukesh Kumar	-	0.11	0.10
	Rajveer Singh	-	0.08	-
	Rishi Gupta	0.56	-	-
	Neeharika Shukla	0.05	-	-
	Purushottam Sharma	0.04	-	-
	Priyanka Jangid	0.03	-	-
	Shikha Kanwar	-	-	-
	Anita Khurana	-	-	0.02
10	**CSR contribution received in advance**			
	Vinay Kumar Lohariwala	-	0.02	-

D. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business. Outstanding balances at the year-end are unsecured and interest free (except borrowings) and settlement occurs in cash.

E. Refer note 15 and 16 for IPO expenses recoverable.

Refer note 19 for details of personal guarantee provided by Vinay Kumar Lohariwala, Manoj Kumar Lohariwala and Gian Prakash Aggarwal for the borrowing facilities availed by the group.

(Amount in INR millions, except for share data unless otherwise stated)

II- Disclosure prior to elimination of intra group entries

A. List of related parties and nature of relationship with whom transactions have taken place during the current previous year

Description of Relationship	Name of the Party
Subsidiary	Univentis Medicare Limited (with effect from 31 December 2021)
	Univentis foundation (incorporated on 14 June 2021)
Key management personnel ('KMP')	Mr. Manoj Kumar Lohariwala (Chairman & Whole Time Director)
	Mr. Vinay Kumar Lohariwala (Whole Time Director- till 17 March 2022) (Managing Director- with effect from 18 March 2022)
	Mr. Jayant Vasudeo Rao (Whole Time Director)
	Mr. Archit Aggarwal (Non-executive Director - w.e.f 1 April 2022)
	Ms. Priyanka Sibal (Independent Director- w.e.f 1 April 2022)
	Mr. Sudhir Kumar Bassi (Independent Director- w.e.f 1 April 2022)
	Mr. Shirish Gundopant Belapure (Independent Director- w.e.f 1 April 2022)
	Mr. Mahendar Korthiwada (Independent Director- w.e.f 1 April 2022)
	Ms. Chhavi Lohariwala (Executive Director) (till 1 April 2022)
	Mr. Gian Parkash Aggarwal (Non-executive Director) (till 1 April 2022)
	Mr. Pradosh Kumar (Non Executive Independent Director) (till 1 April 2022)
	Mr. Anup Agarwal (Non Executive Independent Director) (till 1 April 2022)
	Mr. Purushottam Sharma (Executive Director)
	Mr. Rishi Gupta (Chief Financial officer) (w.e.f 1 April 2022) (till 26 April 2023)
	Ms. Neeharika Shukla (Company Secretary) (w.e.f 9 May 2022)
	Ms. Priyanka Jangid (Company Secretary) (w.e.f 1st November 2022)
	Mr. Mukesh Kumar (Chief Financial officer) (till 1 April 2022)
	Mr. Rajveer Singh(Company Secretary) (25 January 2022- 01 April 2022)
	Ms. Shikha Kanwar (Company Secretary) (till 24th Jan 2022)
	Ms. Anita Khurana (Company Secretary) (upto 15 October 2020)
Entities in which KMP and/or their relatives have significant influence	Univentis Medicare Limited (upto 31 December 2021)
	Innova Captab (partnership firm)
	Azine Healthcare Private Limited
	Pharmatech Healthcare
	DMS Electronics Private Limited
	Nugenic Pharma Private Limited
	Signum Electrowave
	Shubh Packaging

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant year

	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
1	**Revenue from operations (net of returns)**			
	Univentis Medicare Limited	1,106.25	1,046.19	674.30
	Azine Healthcare Private Limited	5.29	23.29	5.84
	Pharmatech Healthcare	14.25	14.09	5.45
	DMS Electronics Private Limited	-	-	21.82
	Innova Captab (partnership firm)	-	-	81.32
	Nugenic Pharma Private Limited	0.05	0.13	0.06
2	**Sale of merchandise exports from India scheme ('MEIS') licence**			
	Innova Captab (partnership firm)	-	-	4.72
	Univentis Medicare Limited	0.46	-	-
3	**Sale of asset**			
	Nugenic Pharma Private Limited	-	0.49	-
4	**Purchase of raw material and/or packing material**			
	Univentis Medicare Limited	-	6.10	4.10
	Shubh Packaging	112.22	73.61	17.17
	Azine Healthcare Private Limited	0.34	-	-
	Innova Captab (partnership firm)	-	-	63.17
	Nugenic Pharma Private Limited	562.08	418.77	226.53
5	**Purchase of trading goods**			
	Univentis Medicare Limited	2.04	-	-
6	**Purchase of store and spares**			
	Nugenic Pharma Private Limited	6.23	3.35	1.36
	Shubh Packaging	0.13	-	-
7	**Packing charges**			
	Shubh Packaging	0.13	0.03	-
8	**Repairs and maintenance**			
	Nugenic Pharma Private Limited	-	-	0.07

(Amount in INR millions, except for share data unless otherwise stated)

	Nature of transaction	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
9	**Loans repaid during the year**			
	Manoj Kumar Lohariwala	41.07	70.05	48.64
	Vinay Kumar Lohariwala	99.71	151.46	7.93
	Gian Prakash Aggarwal	100.00	45.00	-
10	**Loans received during the year**			
	Manoj Kumar Lohariwala	-	154.00	20.00
	Vinay Kumar Lohariwala	-	164.00	-
	Gian Prakash Aggarwal	-	247.50	-
11	**Finance costs**			
	Manoj Kumar Lohariwala	8.02	3.15	1.62
	Vinay Kumar Lohariwala	5.65	3.86	5.56
	Gian Prakash Aggarwal	7.97	6.55	-
12	**Loans given to employees**			
	Mukesh Kumar	-	0.24	-
	Rishi Gupta	5.00	-	-
13	**Loans repaid by employees**			
	Mukesh Kumar	0.14	0.14	0.11
14	**Sitting fees**			
	Anup Agarwal	-	0.03	0.12
	Pradosh Kumar	-	0.04	0.13
	Priyanka Dixit Sibal	0.43	-	-
	Sudhir Kumar Bassi	0.84	-	-
	Shirish G Belapure	0.47	-	-
	K Mahendar	0.28	-	-
15	**CSR contribution**			
	Vinay kumar Lohariwala	-	0.02	-
16	**Financial guarantee income#**			
	Univentis Medicare Limited	1.63	-	-
17	**Financial guarantee charges##**			
	Univentis Medicare Limited	0.88	-	-
	Manoj Kumar Lohariwala	0.60	-	-
	Vinay Kumar Lohariwala	0.60	-	-
	Gian Parkash Aggarwal	0.30	-	-
18	**Employee benefits expenses**			
	Vinay Kumar Lohariwala	4.80	4.80	-
	Manoj Kumar Lohariwala	4.80	4.80	-
	Jayant Vasudeo Rao	1.47	1.34	1.16
	Rajveer Singh	-	0.19	-
	Shikha Kanwar	-	0.30	0.15
	Rishi Gupta	8.81	-	-
	Neeharika Shukla	0.54	-	-
	Priyanka jangid	0.16	-	-
	Purushottam Sharma	0.45	-	-
	Mukesh Kumar	-	1.62	1.33
	Anita Khurana	-	-	0.14

* Break-up of compensation of key managerial personnel of the Group	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term employee benefits	21.03	13.05	2.78
Post-employment benefits	2.09	1.97	1.90
Total compensation paid to key management personnel	**23.12**	**15.02**	**4.68**

The amount disclosed above in the table are the amounts recognized as expense during the reporting period related to key management personnel.

#The Company has guaranteed an amount of INR 350.00 (31 March 2022: Nil,31 March 2021: Nil) to HDFC Bank on behalf of its Subsidiary Company in relation to acquisition of Sharon Bio-Medicine Limited and has guaranteed an amount of INR 300.00 (31 March 2022: Nil,31 March 2021: Nil) to HDFC Bank on behalf of its Subsidiary Company in relation to the short term borrowing facilities availed by the Subsidiary Company.

Refer note 19 for details of personal guarantee provided by Vinay Kumar Lohariwala, Manoj Kumar Lohariwala and Gian Prakash Aggarwal for the borrowing facilities availed by the group. Also, the subsidiary company has acquired an wholly owned subsidiary subsequent to year ending on 31 March 2023 as per the provisions of Insolvency and bankruptcy code (refer note 48 for further details). The resolution plan required a performance guarantee to be furnished by holding company, which was issued by the subsidiary on behalf of the holding company and was approved in extra ordinary general meeting of shareholding of the subsidiary on 4 November 2022.

C. Balances outstanding at year end

	Nature of balances	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
1	**Non current borrowings**			
	Gian Prakash Aggarwal	102.50	100.00	-
	Manoj Kumar Lohariwala	84.00	-	-
	Vinay Kumar Lohariwala	63.40	-	-
2	**Current Borrowings**			
	Manoj Kumar Lohariwala	-	125.07	20.05
	Vinay Kumar Lohariwala	-	163.11	50.86
	Gian Prakash Aggarwal	-	102.50	-
3	**Trade payables**			
	Univentis Medicare Limited	-	-	0.32
	Nugenic Pharma Private Limited	85.04	105.44	129.07
	Shubh Packaging	2.73	-	-
	Azine Healthcare	0.09	-	-
4	**Advance to supplier**			
	Shubh Packaging	-	-	1.09
5	**Trade receivables**			
	Pharmatech Healthcare	10.50	7.76	11.22
	DMS Electronics Private Limited	-	-	21.82
	Azine Healthcare	4.31	6.76	6.18
	Signum Electrowave	-	-	33.66
	Univentis Medicare Limited	311.96	130.99	304.50
6	**Payable on account of acquisition of business on account of slump sale**			
	Innova Captab (partnership firm)	-	-	542.50

(Amount in INR millions, except for share data unless otherwise stated)

	Nature of transaction	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
7	**Loan outstanding to employees**			
	Mukesh Kumar	-	0.10	0.24
	Rishi Gupta	5.00	-	-
8	**Employee related payables**			
	Manoj Kumar Lohariwala	0.30	0.30	-
	Vinay Kumar Lohariwala	0.30	0.30	-
	Jayant Vasudeo Rao	0.11	0.10	0.09
	Mukesh Kumar	-	0.11	0.10
	Rajveer Singh	-	0.08	-
	Rishi Gupta	0.56	-	-
	Neeharika Shukla	0.05	-	-
	Purushottam Sharma	0.04	-	-
	Priyanka Jangid	0.03	-	-
	Shikha Kanwar	-	-	-
	Anita Khurana	-	-	0.02
9	**Interest accrued but not due on borrowings**			
	Manoj Kumar Lohariwala	1.48	0.33	0.14
	Vinay Kumar Lohariwala	0.79	1.55	5.14
	Gian Prakash Aggarwal	1.77	-	-
10	**CSR contribution received in advance**			
	Vinay Kumar Lohariwala	-	0.02	-
11	**Prepaid expense**			
	Univentis foundation	0.03	0.10	-

D. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business. Outstanding balances at the year-end are unsecured and interest free (except borrowings) and settlement occurs in cash.

E. Refer note 15 and 16 for IPO expenses recoverable.

#The Company has guaranteed an amount of INR 350.00 (31 March 2022: Nil,31 March 2021: Nil) to HDFC Bank on behalf of its Subsidiary Company in relation to acquisition of Sharon Bio-Medicine Limited and has guaranteed an amount of INR 300.00 (31 March 2022: Nil,31 March 2021: Nil) to HDFC Bank on behalf of its Subsidiary Company in relation to the short term borrowing facilities availed by the Subsidiary Company.

Refer note 19 for details of personal guarantee provided by Vinay Kumar Lohariwala, Manoj Kumar Lohariwala and Gian Prakash Aggarwal for the borrowing facilities availed by the group. Also, the subsidiary company has acquired an wholly owned subsidiary subsequent to year ending on 31 March 2023 as per the provisions of Insolvency and bankruptcy code (refer note 48 for further details). The resolution plan required a performance guarantee to be furnished by holding company, which was issued by the subsidiary on behalf of the holding company and was approved in extra ordinary general meeting of shareholding of the subsidiary on 4 November 2022.

Note 41 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the Restated Consolidated Financial Information based on information available with the Group as under:

	Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(i)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;			
	- Principal amount remaining unpaid to any supplier	5.73	14.31	34.82
	- Interest due thereon remaining unpaid to any supplier	0.00 ^	0.09	0.52
(ii)	the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(iii)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	0.04	0.11	1.30
(iv)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	5.06	5.04	4.84
(v)	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	5.08	5.04	4.84

^ The total value of interest in absolute value was INR 350/- but for reporting rounded upto INR 0.00 million.

(Amount in INR millions, except for share data unless otherwise stated)

Note 42 - Financial instrument : fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Group, other than those which are measured at FVTPL:

	Note	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
		Amortised Cost	Amortised Cost	Amortised Cost
Financial assets				
Investments	a	0.00	0.00	0.00
Loans	c	14.89	5.16	-
Trade receivables	c	2,652.18	2,126.86	1,385.53
Cash and cash equivalents	c	35.25	1.52	47.95
Bank balances other than above	c	153.50	22.87	70.99
Other financial assets	c	77.53	50.77	57.18
		2,933.35	**2,207.18**	**1,561.65**
Financial liabilities				
Borrowings	b	2,351.92	1,981.82	450.26
Lease liabilities	b	17.80	9.86	4.71
Trade payables	c	1,584.83	1,448.04	1,122.33
Other financial liabilities	c	114.63	93.26	582.31
		4,069.18	**3,532.98**	**2,159.61**

	Level	Note	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
			FVTPL	FVTPL	FVTPL
Financial liabilities					
Other financial liabilities	3	d	78.94	-	-
			78.94	**-**	**-**

Notes:

a. The carrying value of investment in Shivalik Solid Waste Management Limited was INR 2,500/-. Fair value of this investment is not considered to be material.

b. The Group’s non-current borrowings have been contracted at market rates of interest. Accordingly, the carrying value of such non-current borrowings approximates fair value. Further, in accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required. Fair value of other non-current other financial assets has not been disclosed as there is no significant differences between carrying value and fair value.

c. Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

d. The fair value of separable derivative component has been derived by using Discounted cash flow method with terminal growth of 5% and weighted average cost of capital at 13%. (level-3). Refer below details for valuation technique and unobservable inputs for the assets or liabilities.

	Valuation technique	Significant unobservable input	Sensitivities analysis
Option value of compulsorily convertible preference shares	Discounted cash flow method	Growth rate-5% Cost of equity-13%	Year on year growth rate - Increase / (decrease) in growth rate by 1% would result in increase/(decrease) in CCPS liability by INR 22.46 / (15.84) Cost of equity - increase/(decrease) in cost of equity by 1% would result in (decrease)/ increase in CCPS liability by INR (26.14) / 39.66

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Particulars	Option value of compulsorily convertible preference shares
Balance at 1 April 2020	-
Gain included in Statement of Profit and Loss	
– Net change in fair value	-
Balance at 31 March 2021	**-**
Balance at 1 April 2021	-
Gain included in Statement of Profit and Loss	
– Net change in fair value	-
Balance at 31 March 2022	**-**
Initial recognition on issuance of instrument	98.70
Gain included in Statement of Profit and Loss	
– Net change in fair value	(19.76)
Balance at 31 March 2023	**78.94**

There are no transfers between level 1, level 2 and level 3 during the years presented.

Note 43 (a) - Financial risk management

Risk management framework

The Group is exposed to market risk, credit risk and liquidity risk. The Group’s board of director oversees the management of these risks. The Group’s board of director is responsible to ensure that Group’s financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group’s policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk financial instruments affected by market risk include trade receivables, trade payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(a) Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s borrowings with floating interest rates. The Group is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The exposure of the Group’s borrowing to interest rate changes as reported to the management at the end of the reporting year are as follows:

(Amount in INR millions, except for share data unless otherwise stated)

The exposure of the Group's borrowing to floating interest rate as reported at the end of the reporting year are as follows:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Floating rate borrowings	2,102.02	1,404.94	332.19
Fixed rate borrowings	249.90	573.11	118.07
Total borrowings (gross of transaction cost)	**2,351.92**	**1,978.05**	**450.26**

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Year ended 31 March 2023				
Interest rate (0.5% movement)	0.82	(0.82)	0.62	(0.62)
Year ended 31 March 2022				
Interest rate (0.5% movement)	0.24	(0.24)	0.18	(0.18)
Year ended 31 March 2021				
Interest rate (0.5% movement)	0.16	(0.16)	0.12	(0.12)

(b) Currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating activities.

The Group does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk.

Exposure to currency risk :

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting year are as follows:

		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivable	USD	2.83	233.32	3.06	231.91	1.93	141.68
	EUR	0.05	4.65	0.00	0.05	-	-
Trade payables	USD	0.77	64.50	1.80	136.57	1.87	137.43
	EUR	0.00	0.40	0.34	28.52	-	-

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

Sensitivity analysis:

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the year end for 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the relevant foreign currency strengthens 5% against INR. For a 5% weakening of the relevant foreign currency against INR, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2023				
USD 5% movement	12.88	(12.88)	9.64	(9.64)
EUR 5% movement	0.25	(0.25)	0.19	(0.19)
As at 31 March 2022				
USD 5% movement	4.77	(4.77)	3.57	(3.57)
EUR 5% movement	1.43	(1.43)	1.07	(1.07)
As at 31 March 2021				
USD 5% movement	0.21	(0.21)	0.16	(0.16)

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(a) Trade receivables

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognized in the Statement of Profit and Loss within other expenses.

The Group's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Within India	2443.85	1,894.90	1,243.85
Outside India	208.33	231.96	141.68
Total	**2,652.18**	**2,126.86**	**1,385.53**

The carrying amount of the Group's most significant customer is INR Nil (31 March 2022: INR Nil, 31 March 2021: INR 304.49).

(Amount in INR millions, except for share data unless otherwise stated)

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables :

As at 31 March 2023	Gross carrying amount	Loss allowance	Weighted average loss rate	Whether credit-impaired
Not due	2,169.53	(0.74)	-0.03%	No
Less than 90 days	382.16	(0.60)	-0.16%	No
90-180 days	66.17	(0.70)	-1.06%	No
More than 180 days	49.06	(12.70)	-25.89%	No
Total	**2,666.92**	**(14.74)**		

As at 31 March 2022	Gross carrying amount	Loss allowance	Weighted average loss rate	Whether credit-impaired
Not due	1,490.01	(1.34)	-0.09%	No
Less than 90 days	564.40	(1.39)	-0.25%	No
90-180 days	54.00	(0.95)	-1.77%	No
More than 180 days	30.01	(7.88)	-26.27%	No
Total	**2,138.42**	**(11.56)**		

As at 31 March 2021	Gross carrying amount	Loss allowance	Weighted average loss rate	Whether credit-impaired
Not due	929.22	(0.02)	0.00%	No
Less than 90 days	396.98	(0.03)	-0.01%	No
90-180 days	38.00	(0.02)	-0.05%	No
More than 180 days	21.33	(4.57)	-21.43%	No
Total	**1,385.53**	**(4.64)**		

(b) Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Group are held with banks which have high credit rating. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

(c) Security deposits

The Group furnished security deposits as margin money deposits to bank. The Group considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Group expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

(iii) Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 March 2023	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings *	2,351.92	-	1,009.70	377.24	494.27	1,881.21
Other financial liabilities	114.63	-	114.63	-	-	114.63
Trade payables	1,584.83	-	1,584.83	-	-	1,584.83
Lease liabilities	17.80	-	5.56	49.06	-	54.62
Total	**4,069.18**	**-**	**2,714.71**	**426.30**	**494.27**	**3,635.29**

* The carrying amount of borrowings include CCPS amounting to INR 468.45. As the CCPS holders of the Holding Company, in terms of the underlying agreement, had exit rights that include requiring the company to buy back shares held by them upon occurrence of an event not under the control of the Holding Company, the disclosure of contractual undiscounted payments with respect to the CCPS has not been given.

As at 31 March 2022	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings	1,981.82	220.78	1,087.27	466.52	206.35	1,980.92
Other financial liabilities	582.31	-	582.31	-	-	582.31
Trade payables	1,448.04	-	1,448.04	-	-	1,448.04
Lease liabilities	9.86	-	4.27	3.76	8.52	16.55
	4,022.03	**220.78**	**3,121.89**	**470.28**	**214.87**	**4,027.82**

As at 31 March 2021	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings	450.26	70.91	319.35	60.00	-	450.26
Other financial liabilities	582.31	-	582.31	-	-	582.31
Trade payables	1,122.33	-	1,122.33	-	-	1,122.33
Lease liabilities	4.71	-	1.64	3.99	-	5.63
Total	**2,159.61**	**70.91**	**2,025.62**	**63.99**	**-**	**2,160.52**

(iv) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(Amount in INR millions, except for share data unless otherwise stated)

Note 44- Capital risk management

For the purpose of the Group's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions, business strategies and future commitments. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, trade payables and borrowings, less cash and cash equivalents and other bank balances.

Particulars	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2021**
Trade payables (Refer note 23)	1,584.83	1,448.04	1,122.33
Borrowings (Refer note 19)	2,351.92	1,981.82	450.26
Less: cash and cash equivalents (Refer note 12)	35.25	1.52	47.95
Less: Bank balances other than cash and cash equivalents (Refer note 13)	153.50	22.87	70.99
Net debt	**3,748.00**	**3,405.47**	**1,453.65**
Equity share capital (Refer note 17)	480.00	120.00	120.00
Other equity (Refer note 18)	2,285.06	1,966.06	1,328.21
Total capital	**2,765.06**	**2,086.06**	**1,448.21**
Capital and net debt	6,513.06	5,491.53	2,901.86
Gearing ratio	**57.55%**	**62.01%**	**50.09%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to maintain investor, creditor and market confidence and to sustain future development of the business.

Note 45 (i): Contingent liabilities

(a) Claims against the Group not acknowledged as debts (to the extent not provided for)

	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2021**
Income tax matters	0.60	0.71	0.60
	0.60	**0.71**	**0.60**

(i) For assessment year 2017-2018, the Income tax Assessing Officer had raised the demand of INR 13.09 vide order dated 15 December 2019. On 19 July 2021, the Assistant Commissioner of Income Tax reduced the demand to INR 0.60. The Holding Company is of the view that the demand of INR 0.60 has been raised erroneously and accordingly, the Holding Company has filed an application for rectification with the Dy. Commissioner of Income Tax to contest the demand. No tax expense has been accrued in Restated Consolidated Financial Information for the tax demand raised as the Holding Company is contesting the demand and the management, including its tax advisors, believe that its position will be likely be upheld in appellate process. The management believes that the ultimate outcome of the proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(ii) For assessment year 2018-2019, the Income tax Assessing Officer had raised the demand of INR 0.11 vide order dated 15 December 2019. The subsidiary Company is of the view that the demand of INR 0.11 has been raised erroneously and accordingly, the Subsidiary Company has filed an appeal for rectification with the CIT(A) vide order no CPC/1819/U6/1978175616 to contest the demand. The same has been dismissed by the CIT(A) vide order no ITBA/NFAC/S/250/2022-23/1043627809(1). The subsidiary Company has filed appeal in ITAT against for the CIT(A) for contesting the demand. However, subsequent to year ending on 31 March 2023, ITAT also dismissed the appeal on order dated 19 May 2023 and adjusted the amount against the refund outstanding towards the subsidiary for assessment year 2019-20. Therefore, the liability has been adjusted accordingly for the year ending on 31 March 2023.

(iii) Additionally, the Group is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Company believes that none of above matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

(b) Guarantee outstanding

	As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2021**
Guarantee outstanding	1,000.00	-	-
	1,000.00	**-**	**-**

The subsidiary Company has guaranteed an amount of INR 350.00 (31 March 2022: Nil, 31 March 2021: Nil) to HDFC Bank on behalf of its holding Company which was the resolution applicant and was therefore required to provide the said guarantee in relation to acquisition of Sharon Bio-Medicine Limited.

The Holding Company has guaranteed an amount of INR 350.00 (31 March 2022: Nil, 31 March 2021: Nil) to HDFC Bank on behalf of its Subsidiary Company in relation to acquisition of Sharon Bio-Medicine Limited and has guaranteed an amount of INR 300.00 (31 March 2022: Nil, 31 March 2021: Nil) to HDFC Bank on behalf of its Subsidiary Company in relation to the short term borrowing facilities availed by the Subsidiary Company.

(Amount in INR millions, except for share data unless otherwise stated)

Note 45 (ii): Other Commitments

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for	1,584.38	10.46	172.89
Export commitments against import of capital goods under EPCG scheme	-	126.54	-
	1,584.38	**137.00**	**172.89**

Note 46 -

a) During the year ended 31 March 2020, the Holding Company had received advance from customer amounting to USD 0.01 (INR 0.57). Further, during the year ended 31 March 2021, the Holding Company had received advance from customer amounting to GBP 0.05 (INR 4.74) and USD 0.01 (INR 0.96) respectively. These products were not eventually delivered and accordingly the entire amount continues to be outstanding in the books as at year ending on 31 March 2022. However, the Holding Company has settled the aforesaid advances in accordance with relevant statutory requirements in the year ending on 31 March 2023.

b) As per the guidelines issued by the Reserve Bank of India (RBI), the Holding Company is required to realise foreign currency receivables within a stipulated time period. The Holding Company has foreign currency receivables amounting to INR 5.89 which are outstanding for a period of more than twelve months as on 31 March 2022. However, the Holding Company has settled the aforesaid balances in accordance with relevant statutory requirements in the year ending on 31 March 2023.

Note 47(a) - Business combination

The Board of directors approved a Business Transfer Agreement (BTA) between the Holding Company and Innova Captab, a partnership firm on 31 March 2021. Pursuant to the said BTA, the partnership firm has transferred its assets and liabilities to company on a going concern basis by way of slump sale, with effect from closing of business hours of 31 March 2021 for a purchase consideration of INR 542.50. The assets and liabilities were transferred at fair value as at 31 March 2021.

This being a business purchase has been accounted for in accordance with the Ind AS 103 "Business Combinations" and the information about fair valuation of acquired assets and assumed liabilities, is as follows:

Particulars	Amount
Assets	
Property, plant and equipment	59.71
Right-of-use assets	19.38
Inventories	215.49
Trade Receivables	448.69
Cash and cash equivalents	3.02
Bank balances other than above	28.52
Loans	1.16
Other financial assets	31.34
Other current assets	129.55
Total Assets (A)	**936.86**
Liabilities	
Borrowings	75.18
Provisions	4.42
Trade payable	306.50
Other financial liabilities	4.64
Other current liabilities	3.18
Total Liabilities (B)	**393.92**
Net assets acquired (A-B)	542.94
Capital reserve	(0.44)
Total consideration	**542.50**

Revenue from operations and profit before tax for the year ended 31 March 2021 includes INR Nil and INR Nil respectively pertaining to acquisition of business through slump sale made during the year. If the acquisitions had happened at the beginning of the year, management estimates that the reported revenue from operations for the year ended 31 March 2021 would have been higher by INR 1,664.60 and profit before tax for the year higher by INR 155.83. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2020.

(Amount in INR millions, except for share data unless otherwise stated)

Note 47(b) - Business combination

The Group acquired 100% equity shares in Univentis Medicare Limited vide Share Purchase Agreement dated 31 December 2021 for a purchase consideration of INR 600.

This being a business purchase has been accounted for in accordance with the Ind AS 103 "Business Combinations" and price allocation as at 31 December 2021 and certain information about fair valuation of acquired assets and liabilities is as follows:

Particulars	Amount
Assets	
Property, plant and equipment	34.70
Right-of-use assets	17.46
Other intangible assets	0.06
Income tax assets (net)	26.99
Inventories	277.48
Trade Receivables	566.17
Cash and cash equivalents	2.30
Bank balances other than above	2.00
Loans	0.14
Other financial assets	3.34
Other current assets	42.24
Total Assets (A)	**972.88**
Liabilities	
Borrowings	223.58
Lease liabilities	4.55
Deferred tax liabilities (net)	0.16
Provisions	1.77
Trade payable	201.93
Other financial liabilities	44.14
Other current liabilities	63.69
Total Liabilities (B)	**539.82**
Net assets acquired (A-B)	433.06
Goodwill	166.94
Total consideration	**600.00**

Revenue from operations and profit before tax for the period ended 31 December 2021 includes INR Nil and INR Nil respectively pertaining to acquisition of subsidiary made during the period. If the acquisitions had happened at the beginning of the period, management estimates that the reported revenue from operations for the period ended 31 December 2021 would have been higher by INR 1311.18 and profit before tax for the period higher by INR 172.09. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2021.

Note 48: Disclosures pursuant to Section 186 of the Companies Act, 2013:

	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Investments:			
(i) Investment in equity shares: Shivalik waste management system			
Balance as at the year end ^	0.00	0.00	0.00
Maximum amount outstanding at any time during the year ^	0.00	0.00	0.00
(ii) Guarantee provided by subsidiary company on behalf of Holding company			
- For acquisition of Sharon Bio Medicine Limited (refer note 50 for details)			
Balance as at the year end	350.00	-	-
Maximum amount outstanding at any time during the year	350.00	-	-
(iii) Guarantee provided by Holding Company on behalf of Subsidiary Company			
- For acquisition of Sharon Bio Medicine Limited (refer note 50 for details)			
Balance as at the year end	350.00	-	-
Maximum amount outstanding at any time during the year	350.00	-	-
(iv) Guarantee provided by Holding Company on behalf of Subsidiary Company			
- For availment of short term borrowing facilities			
Balance as at the year end	300.00	-	-
Maximum amount outstanding at any time during the year	300.00	-	-

^ *The total value of shares in absolute value was INR 2,500/- but for reporting rounded upto INR 0.00 million.*

(Amount in INR millions, except for share data unless otherwise stated)

Note 49 - Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of Restated Consolidated Financial Information' of Division II of Schedule III

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
As at 31 March 2023								
Parent								
Innova Captab Limited	97.04%	2,683.18	84.69%	575.52	109.18%	(0.59)	84.67%	574.93
Subsidiary								
Univentis Medicare Limited	18.96%	524.12	15.25%	103.62	-9.18%	0.05	15.27%	103.67
Univentis Foundation	0.00%	0.00	0.10%	0.68	-	-	0.10%	0.68
Elimination	-15.99%	(442.24)	-0.04%	(0.28)	-	-	-0.04%	(0.28)
Total	**100.00%**	**2,765.06**	**100.00%**	**679.54**	**100.00%**	**(0.54)**	**100.00%**	**679.00**
As at 31 March 2022								
Parent								
Innova Captab Limited	101.06%	2,108.27	103.48%	661.78	102.34%	(1.72)	103.48%	660.06
Subsidiary								
Univentis Medicare Limited	20.15%	420.44	-1.32%	(8.44)	-2.97%	0.05	-1.32%	(8.39)
Univentis Foundation	0.00%	0.00	0.00%	0.00	-	-	0.00%	0.00
Elimination	-21.22%	(442.65)	-2.16%	(13.80)	0.64%	(0.01)	-2.17%	(13.82)
Total	**100.00%**	**2,086.06**	**100.00%**	**639.53**	**100.00%**	**(1.68)**	**100.00%**	**637.85**
As at 31 March 2021								
Parent								
Innova Captab Limited	100.00%	1,448.21	100.00%	345.00	100.00%	(0.77)	100.00%	344.23
Subsidiary								
Univentis Medicare Limited	-	-	-	-	-	-	-	-
Elimination	-	-	-	-	-	-	-	-
Total	**100.00%**	**1,448.21**	**100.00%**	**345.00**	**100.00%**	**(0.77)**	**100.00%**	**344.23**

Note 50 - Subsequent events

Acquisition of Sharon Bio-Medicine Limited

Subsequent to year ended on 31 March 2023, The Group acquired Sharon Bio Medicine Limited ("Sharon"), a public listed entity undergoing the corporate insolvency resolution process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 ("IBC") before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") since April 2017. Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients and finished dosages. It also offers contract manufacturing services for formulations. It also performs pre-clinical and toxicology research services. The holding submitted a resolution plan dated 22 August 2022 (as modified on 6 October 2022) ("Resolution Plan") in relation to the CIRP involving Sharon. The Resolution Plan was approved by the committee of creditors on 16 November 2022 by a majority of 79.28% and subsequently an application for approval of the Resolution Plan was filed by the resolution professional with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). In line with the resolution plan, it was decided that acquisition of Sharon would be done through Univentis medicare limited ("UML") as per board resolution passed by the board of directors of UML on 20 March 2023. The resolution plan also required a performance guarantee to be furnished by holding company, which was issued by UML on behalf of the holding company and was approved in extra ordinary general meeting of shareholding of UML on 4 November 2022.

The Resolution Plan was approved by the NCLT pursuant to its order dated 17 May 2023 and implementation of the Resolution Plan commenced subsequently. In accordance with the terms of the Resolution Plan approved by the NCLT, Univentis medicare limited ("UML") infused INR 1,954.00 (INR. 1,944.00 as loan and INR 10 as equity share capital) into Sharon on 26 June 2023 and closure of implementation pursuant to the Resolution Plan was achieved on 30 June 2023. Following such infusion of funds by UML, Sharon became a wholly owned subsidiary of UML.UML availed a loan of 1,450 from HDFC bank for purpose of aforesaid infusion into Sharon. The Guarantee for this loan was given by the Holding company.

Further, as per the affidavit filed by resolution professional on behalf of Company, it was submitted before NCLT that following the acquisition of Sharon by UML, Sharon would merge into UML. However, given that the order dated 17 May 2023 did not record the fact of such merger, the monitoring committee of Sharon (as constituted pursuant to the Resolution Plan) filed an application dated 16 June 2023 before the NCLT requesting for a rectification of such order dated 17 May 2023 and clarification therein to specifically mention the fact of the proposed merger of Sharon into UML. The application dated 16 June 2023 was reserved for order on 20 June 2023 and the final copy of the order is awaited.

However, Peter Beck und Partner Vermoegensverwaltung GMBH (the "Appellant", who is a financial creditor of Sharon) filed an appeal dated 30 June 2023 before the NCLAT against the order dated 17 May 2023 with Sharon, the resolution professional, Ernst & Young LLP who were the advisors to the monitoring committee of Sharon, our Company, committee of creditors and UML being named as the respondents (together, the "Respondents", and such appeal, the "Appeal"). The Appeal was filed alleging violation of the provisions of the IBC in that the approved resolution plan allegedly discriminates within the creditors of the same class including the Appellant, who was an unsecured financial creditor of Sharon, as no payment was being made to the Appellant. The first hearing of the matter was held on 31 July 2023 in which the judgement was reserved. As per legal assessment undertaken by the company, the present appeal raises no grounds permissible under Section 61 of the Code to challenge the Approval Order.

As part of implementation of plan, following administrative tasks are still being undertaken by the group:

a) The payments to various stakeholders as envisaged in plan are underway by monitoring committee in terms of resolution plan.

b) Sharon was a listed company and the delisting process has been initiated which would be completed once the payments to all public shareholders are completed.

c) As part of plan implementation, all the pre-CIRP dues and liabilities have been extinguished. The process of formal closure at various forums is underway.

d) Sharon has been declared as a wilful defaulter by the banks as it was under corporate insolvency resolution process since 11 April 2017. The Holding Company is in the process of taking corrective steps as necessary.

Also, during the year ending on 31 March 2023, following major events took place in Sharon:

a) A Fire Broke out at API Unit at Plot No. 6, MIDC Area, Taloja on 26 February 2023 around 8.50 AM in Production Line -II. Property, plant and equipment having gross value INR 23.56 with its written down value INR 9.68 and Stock (Finished Goods) worth INR 1.10 were destroyed in the fire. The above assets were insured for which company has filed a claim of INR 40.96 for property, plant and equipment and INR 1.10 for inventory.

b) On 9 March 2023, a search and Investigation was conducted by the Central Bureau of Investigation ("CBI") simultaneously at all business locations of the Company, including the Dehradun Plant, API unit at Taloja, Toxicology unit at Taloja, Satra Plaza and Corporate Office at Vashi, and the same continued overnight and was concluded on March 10, 2023. During the course of investigation, the CBI officials made enquiries with the management of the company, sought information from the key personnel and seized certain documents which are relevant for their investigation. It is pertinent to note that the CBI officials have seized and taken complete control over the server and other related accounting and secretarial records from the premises of the Corporate Office of the Company at Vashi and have carried the server with them for investigation purposes. They have also instructed the company personnel at Toxicology unit to surrender the server at the earliest, which was handed over to CBI on 6 April 2023. As per the management's assessment this search and seizure did not impact the ongoing operations of Sharon as the company had adequate data recovery measures in place. Further, the search and seizure, pertained to erstwhile promotors of Sharon and bears no negative/adverse impact on the Company.

(Amount in INR millions, except for share data unless otherwise stated)

Note 51: Other Statutory Information

(i) The Group is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(ii) The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Act.

(iii) The Group has not declared wilful defaulter by any bank or financial institution or other lender.

(iv) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(v) The Group does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

(vi) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) The Group does not have any transactions/outstanding balances with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(viii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 52:
Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of certain assets and liabilities. Comparative amounts in the financial statements were reclassified for consistency.

Particulars	Presented as, in financial statements of the year ended 31 March 2021	Reclassified as, in restated consolidated financial information	Amount
Current maturities of non-current borrowings	Other financial liability	Borrowing (current)	56.00
Security deposits (non-current)	Loans (non-current)	Other non-current financial assets	34.95
Loan to employees	Other current assets	Loans (Current)	4.65
Security deposits (current)	Loans (current)	Other current financial assets	7.79
Leasehold land	Property, plant and equipment	Right-of-use asset (land)	19.38

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 9 September 2023

For and on behalf of Board of Directors of
Innova Captab Limited

Manoj Kumar Lohariwala
Chairman & Whole time director
DIN: 00144656

Vinay Kumar Lohariwala
Managing Director
DIN: 00144700

Neeharika Shukla
Company Secretary
Membership No. : A42724

Gaurav Srivastava
Chief Financial Officer

Place: Panchkula
Date: 9 September 2023

(Amount in INR millions, except for share data unless otherwise stated)

Summarised below are the restatement adjustments made to equity for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, and their consequential impact on the equity of the Group:

Particulars	Notes	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
A. Total Equity as per Audited Consolidated Financial Statements / Audited Standalone Financial Statements		**2,765.06**	**2,086.06**	**1,448.21**
B. Total Ind AS adjustments		-	-	-
C. Total equity as per Ind AS (A+B)		**2,765.06**	**2,086.06**	**1,448.21**
D. Adjustments:				
Material restatement adjustments				
(i) Audit qualifications		-	-	-
		-	-	-
(ii) Adjustments due to prior period items / other adjustment				
- Property, plant and equipment	Note 3(a)	-	-	(19.38)
- Right-of-use assets	Note 3(a)	-	-	19.38
Total		-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable				
Deferred tax impact on restatement adjustments		-	-	-
		-	-	-
(iv) Current tax impact on adjustments in (i) and (ii), as applicable				
Current tax impact on restatement adjustments			-	-
		-	-	-
E. Total impact of adjustments (i + ii + iii + iv)		-	-	-
F. Total equity as per restated consolidated financial information (C+E)		**2,765.06**	**2,086.06**	**1,448.21**

Summarised below are the restatement adjustments made to the net profit after tax for the years ended 31 March 2023, 31 March 2022 and 31 March 2021 their impact on the profit / (loss) of the Group:

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Net Profit after tax as per Audited Consolidated Financial Statements/ Audited Standalone Financial Statements		**679.54**	**639.53**	**345.00**
B. Total Ind AS adjustments		-	-	-
C. Net profit after tax as per Ind AS (A+B)		**345.00**	**639.53**	**345.00**
D. Adjustments:				
Material restatement adjustments				
(i) Audit qualifications		-	-	-
		-	-	-
(ii) Adjustments due to prior period items / other adjustment		-	-	-
Total		-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable				
Deferred tax impact on restatement adjustments		-	-	-
		-	-	-
(iii) Current tax impact on adjustments in (i) and (ii), as applicable				
Current tax impact on restatement adjustments		-	-	-
		-	-	-
E. Total impact of adjustments (i + ii + iii + iv)		-	-	-
F. Net profit after tax as per restated consolidated financial information (C+E)		**345.00**	**639.53**	**345.00**

Note to adjustment:

1. Adjustments for audit qualification: None

2. Material regrouping

Appropriate adjustments have been made in the restated consolidated financial information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the Division II Ind AS Schedule III of the Companies Act, 2013 ('the Act') and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended). Accordingly, the Group has presented the Restated consolidated financial information as at and for the years ended 31 March 2023, 31 March 2022 and 31 March 2021. Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of certain assets and liabilities. Comparative amounts in the financial statements were reclassified for consistency.

Particulars	Presented as, in financial statements of the year ended 31 March 2021	Reclassified as, in restated consolidated financial information	Amount
Current maturities of non-current borrowings	Other financial liability	Borrowing (current)	56.00
Security deposits (non-current)	Loans (non-current)	Other non-current financial assets	34.95
Loan to employees	Other current assets	Loans (Current)	4.65
Security deposits (current)	Loans (current)	Other current financial assets	7.79
Leasehold land	Property, plant and equipment	Right-of-use asset (land)	19.38

3. Material restatement adjustments

a. Others

Leasehold land earlier presented under property, plant and equipment has been regrouped under Right-of-use assets in statement of assets and liabilities. There is no impact of the same on the total equity as on 31 March 2021 and total comprehensive income for the year ended 31 March 2021.

4. Non-adjusting items:

a. Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated summary statements are as follows:

1) There are no audit qualification in auditor's report for the years ended 31 March 2023, 31 March 2022 and 31 March 2021 respectively.

b. Emphasis of matters in the Auditors' report which do not require any corrective adjustments in the Restated Financial Information

<u>**As at and for the year ended 31 March 2023, 31 March 2022 and 31 March 2021:**</u>

There is no emphasis of matter in auditor's report for the year ended 31 March 2023, 31 March 2022 and 31 March 2021 respectively.

c. Audit Qualifications in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Financial Information

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2023, 31 March 2022 and 31 March 2021 respectively. Certain statements/comments included in the CARO in the consolidated and standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the financial statements presented.

<u>**For the year ended 31 March 2021**</u>

Clause (i)(c) of CARO 2016 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of Company, except for the following which are not held in the name of the Company (INR in millions):

Particulars	Total number of cases	Whether leasehold/ freehold	As at 31 March 2021		Remarks
			Gross Block	Net Block	
Land	1	Leasehold	19.38	19.38	The Company has acquired partnership firm on account of slump sale on 31 March 2021. The Company is in the process of completing the formalities for transferring the title deed of the leasehold land acquired as part of in its own name.

Clause (vii) (a) of CARO 2016 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Employee's State Insurance, Goods and Services Tax ('GST'), Income-tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases of Income Tax, Provident fund and GST during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, GST, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

Clause (vii)(b) of CARO 2016 Order

According to the information explanations given to us, there are no dues of Sales tax, Value Added Tax, Income Tax, Service-Tax, Cess, Duty of Excise and Duty of Customs which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statue	Nature of the Dues	Amount Disputed	Amount Deposited	Period to which the amount relates	Where dispute the is pending
Income Tax Act, 1961	Income Tax	0.60	-	2017-18	Deputy commissioner of Income Tax

<u>**For the year ended 31 March 2022: Innova Captab Limited**</u>

Clause (i)(c) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of Company, except for the following which are not held in the name of the Company (INR in millions):

Particulars	Total number of cases	Whether leasehold/ freehold	As at 31 March 2022		Remarks
			Gross Block	Net Block	
Land	1	Leasehold	19.38	19.38	The Company has acquired assets and liabilities of partnership firm on account of slump sale on 31 March 2021. The aforesaid land was transferred in Company's name subsequent to year end.

Clause (ii)(b) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of the bank	Particulars	Amount as per books of account (In INR million)	Amount as reported in the quarterly return/ statement (In INR million)	Amount of difference (In INR million)	Whether return/statement subsequently rectified
30 June 2021	State Bank Limited	Inventory	1,200.97	1,131.75	69.22	No
	Yes Bank Limited	Trade Receivable	2,020.50	1,963.25 *	57.25	No
	HSBC Limited	Trade Payable	1,895.92	1,749.70	146.22	No
30 September 2021	State Bank Limited	Inventory	919.72	916.71	3.01	No
	Yes Bank Limited	Trade Receivable	1,795.04	1,793.33 #	1.71	No
	HSBC Limited	Trade Payable	1,230.29	1,186.05	44.24	No
31 December 2021	State Bank Limited	Inventory	1,169.99	1,058.88	111.11	No
	Yes Bank Limited	Trade Receivable	1,440.65	1,539.63	(98.98)	No
	HSBC Limited	Trade Payable	1,214.71	1,287.31	(72.60)	No
31 March 2022	State Bank Limited	Inventory	1,052.86	1053.15 $	(0.29)	No
	Yes Bank Limited	Trade Receivable	1,738.53	1,738.08	0.45	No
	HSBC Limited	Trade Payable	1,404.31	1,401.92	2.39	No

*The amount reported to Yes Bank Limited and HSBC Limited is INR 1,924.53 million with corresponding difference between books of account and quarterly return/statement amounting to INR 95.97 million.

The amount reported to Yes Bank Limited and HSBC Limited is INR 1,680.74 million with corresponding difference between books of account and quarterly return/statement amounting to INR 114.30 million.

$ The amount reported to Yes Bank Limited and HSBC Limited is INR 1,053.63 million with corresponding difference between books of account and quarterly return/statement amounting to INR (0.77) million.

The Company submits drawing power (DP) statements subsequent to the end of respective quarters, in which DP limit is computed as per the terms and conditions of sanction letter. Certain adjustments pertaining to goods in transit, advances from customers and advances to vendors were excluded from inventory, trade receivables and trade payables respectively while arriving at the figures reported in the DP statements submitted to banks as the Company did not have a formal quarterly book closing process of its books of account. Further, the actual utilization of working capital remained within the bank sanction/DP limits for the year ended 31 March 2022.

Clause (vii) (a) of CARO 2020 Order

The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income-Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statue	Nature of the Dues	Amount (in INR million)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
HP VAT Act, 2005 and CST Act, 1956	Value Added Tax	1.24	FY 2021-22	-	27-Apr-22	Amount pertains to partnership firm whose assets and liabilities were acquired on account of slump sale on 31 March 2021.

Clause (vii)(b) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statue	Nature of the Dues	Amount (in INR million)	Period to which the amount relates	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	0.60	2017-18	2017-18	Deputy commissioner of Income Tax	

For the year ended 31 March 2022: Univentis Medicare Limited

Clause (ii)(b) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of the bank	Particulars	Amount as per books of account (In INR million)	Amount as reported in the quarterly return/ statement (In INR million)	Amount of difference (In INR million)	Whether return/statement subsequently rectified
30 June 2021	HDFC Bank	Inventory	226.85	226.44	0.41	No
		Trade Receivable	781.84	781.84	-	No
		Trade Payable	524.02	523.21	0.81	No
30 September 2021	HDFC Bank	Inventory	226.19	223.52	2.67	No
		Trade Receivable	717.38	717.19	0.19	No
		Trade Payable	410.72	409.93	0.79	No
31 December 2021	HDFC Bank	Inventory	277.48	246.64	30.84	No
		Trade Receivable	566.17	613.87	(47.70)	No
		Trade Payable	201.93	197.49	4.44	No
31 March 2022	HDFC Bank	Inventory	249.46	271.93	(22.47)	No
		Trade Receivable	519.32	521.45	(2.13)	No
		Trade Payable	174.72	174.70	0.02	No

The Company submits drawing power (DP) statements subsequent to the end of respective quarters, in which DP limit is computed as per the terms and conditions of sanction letter. Certain adjustments pertaining to goods in transit, advances from customers and advances to vendors were excluded from inventory, trade receivables and trade payables respectively while arriving at the
figures reported in the DP statements submitted to banks as the Company did not have a formal quarterly book closing process of its books of account. Further, the actual utilization of

Clause (vii)(b) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statue	**Nature of the Dues**	**Amount Deposited**	**Period to which the amount relates**	**Forum where dispute is pending**	**Remarks, if any**
Income Tax Act, 1961	Income Tax	0.11	AY 2018-19	CIT (Appeals)	

For the year ended 31 March 2023: Innova Captab Limited

Clause (ii)(b) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per books of account (In INR million)	Amount as reported in the quarterly return/ statement (In INR million)	Amount of difference (In INR million)	Whether return/statement subsequently rectified
30 June 2022	HSBC Bank and Yes Bank	Inventory	1,052.23	1,020.09	32.14	No
		Trade Receivable	1,764.77	1,722.96	41.81	No
		Trade Payable	1,563.33	1,575.96	(12.63)	No
30 September 2022	HSBC Bank and Yes Bank	Trade Payable	1,225.34	1,223.51	1.83	No
		Inventory	888.58	888.57	0.01	No
31 December 2022	HDFC Bank , HSBC Bank and Yes Bank	Inventory	1,038.84	1,062.36	(23.52)	No
		Trade Payable	1,545.72	1,571.52	(25.80)	No
		Trade Receivable	2,359.69	2,359.16	0.53	No
31 March 2023	HDFC Bank, HSBC Bank and Yes Bank	Inventory	972.72	985.38	(12.66)	No
		Trade Receivable	2,296.76	2,307.08	(10.32)	No
		Trade Payable	1,480.84	1,480.85	(0.01)	No
30 June 2022	SBI Bank	Inventory	1,052.23	1,021.93	30.30	No
		Trade Receivable	1,764.77	1,722.96	41.81	No
		Trade Payable	1,563.33	1,575.96	(12.63)	No
30 September 2022	SBI Bank	Inventory	888.58	888.60	(0.02)	No
		Trade Receivable	2,355.57	2,355.60	(0.03)	No
		Trade Payable	1,225.34	1,223.50	1.84	No
31 December 2022	SBI Bank	Inventory	1,038.84	1,062.40	(23.56)	No
		Trade Receivable	2,359.69	2,359.20	0.49	No
		Trade Payable	1,545.72	1,571.50	(25.78)	No
31 March 2023	SBI Bank	Inventory	972.72	985.38	(12.66)	No
		Trade Payable	1,480.84	1,480.85	(0.01)	No
		Trade Receivable	2,296.76	2,307.08	(10.32)	No

The Company submits drawing power (DP) statements subsequent to the end of respective quarters, in which DP limit is computed as per the terms and conditions of sanction letter. Certain adjustments pertaining to goods in transit, advances from customers and advances to vendors were excluded from inventory, trade receivables and trade payables respectively while arriving at the figures reported in the DP statements submitted to banks as the Company did not have a formal quarterly book closing process of its books of account. Further, the actual utilization of working capital remained within the bank sanction/DP limits for the year ended 31 March 2023.

Clause (vii)(b) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statue	Nature of the Dues	Amount (in INR million)	Period to which the amount relates	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	0.60	2017-18	2017-18	Deputy commissioner of Income Tax	

<u>For the year ended 31 March 2023: Univentis Medicare Limited</u>

Clause (ii)(b) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Quarter	Name of the bank	Particulars	Amount as per books of account (In INR million)	Amount as reported in the quarterly return/ statement (In INR million)	Amount of difference (In INR million)	Whether return/statement subsequently rectified
31 March 2023	HDFC Bank	Inventory	219.30	219.41	(0.11)	No
		Trade Receivable	666.51	669.66	(3.15)	No
		Trade Payable	415.08	417.69	(2.61)	No

The Company submits drawing power (DP) statements subsequent to the end of respective quarters, in which DP limit is computed as per the terms and conditions of sanction letter. Certain adjustments pertaining to goods in transit, advances from customers and advances to vendors were excluded from inventory, trade receivables and trade payables respectively while arriving at the

figures reported in the DP statements submitted to banks as the Company did not have a formal quarterly book closing process of its books of account. Further, the actual utilization of

Clause (vii)(b) of CARO 2020 Order

According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statue	Nature of the Dues	Amount Deposited	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	0.11	AY 2018-19	CIT (Appeals)	

d. Other matters in annexures to Auditors' Report, which do not require any corrective adjustments in the Restated Financial Information

<u>As at and for the year ended 31 March 2023</u>

We did not audit the financial statements of a subsidiary, Univentis Foundation, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 0.71 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 7.83 million and net cash flows (before consolidation adjustments) amounting to Rs. 0.71 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditor.

<u>As at and for the year ended 31 March 2022</u>

We did not audit the financial statements of a subsidiary, Univentis Foundation, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 0.22 million as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. 0.00 million and net cash flows (before consolidation adjustments) amounting to Rs. 0.22 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditor.

<u>As at and for the year ended 31 March 2021</u>

The comparative financial information of the Company for the year ended 31 March 2020 and the transition date opening Balance Sheet as at 1 April 2019 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March 2020 and 31 March 2019 dated 25 November 2020 and 2 September 2019 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of the above matter.

PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The following set forth the Pro Forma Condensed Consolidated Financial Information which comprise the Pro Forma Condensed Consolidated Balance Sheet as at March 31, 2023 and the Pro Forma Condensed Consolidated Statement of Profit and Loss for the year ended March 31, 2023, read with the notes to the Pro Forma Condensed Consolidated Financial Information.

Our Company has received written consent dated September 12, 2023 from our Statutory Auditors, B S R & Co. LLP, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Addendum as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as independent statutory auditors and in respect of their (i) examination report dated September 9, 2023, on our Restated Consolidated Financial Information, and (ii) report dated September 9, 2023, on our Pro Forma Condensed Consolidated Financial Information, included in this Addendum. Such consent has not been withdrawn as on the date of this Addendum. The term "expert" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

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B S R & Co. LLP
Chartered Accountants

Unit No. A505A
5th Floor, Elante Offices
Plot No. 178-178A, Industrial Area
Phase - 1, Chandigarh - 160002
Tel: +91 172 672 3400

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION INCLUDED IN THE ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS

The Board of Directors,
Innova Captab Limited ("Company")
Office No.606, Ratan Galaxie-6th Floor,
J.N. Road, Plot No.1, Mulund (W),
Mumbai-MH 400080, India

Report on the Compilation of Pro Forma Condensed Consolidated Financial Information included in the Addendum to the Draft Red Herring Prospectus ("Addendum DRHP")

1. We have completed our assurance engagement to report on the compilation of Pro Forma Condensed Consolidated Financial Information of Innova Captab Limited ("the Company" or "the Holding Company"), its subsidiaries (the Company and its subsidiaries together referred to as the "Group") and Sharon Bio-Medicine Limited ("Sharon") by the Company's Management for the purpose of inclusion in the Addendum DRHP of the Company. The Pro Forma Condensed Consolidated Financial Information consists of the Pro Forma Condensed Consolidated Balance Sheet as at 31 March 2023, the Pro Forma Condensed Consolidated Statement of Profit and Loss (including other comprehensive income) for the year ended 31 March 2023, and related notes (together called the "Proforma Condensed Consolidated Financial Information") as set out in the Addendum DRHP prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO"). The applicable criteria on the basis of which the Company's Management has compiled the Pro Forma Condensed Consolidated Financial Information are specified in clause (11)(I)(B)(iii) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "ICDR Regulations") issued by Securities and Exchange Board of India (the "SEBI") as further set out in Note 2 (c) to the Proforma Condensed Consolidated Financial Information. Because of its nature, the Proforma Condensed Consolidated Financial Information does not represent the Group's actual financial position and financial performance.

2. The Pro Forma Condensed Consolidated Financial Information has been compiled by the Company's management to illustrate the impact of the acquisition of Sharon as set out in Note 2 (c) of the Pro Forma Condensed Consolidated Financial Information on the Group's financial position as at 31 March 2023 and the Group's financial performance for the year ended 31 March 2023 as if the acquisition of Sharon had taken place at 31 March 2023 and 1 April 2022 respectively. As part of this process, information about the Group's financial position and financial performance has been extracted by the Company's management from the Restated Consolidated Financial Information of the Group for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, on which an examination report dated 9 September 2023 has been issued by us. Information about Sharon has been extracted and compiled by the Company's management from the Special Purpose Ind AS Financial Statements as at and for the year ended 31 March 2023 on which the auditor of Sharon (E.A. Patil & Associates LLP), a peer reviewed firm of Chartered Accountants ('other auditor') has issued a modified audit report on 9 September 2023. We have been provided access to the modified audit report of the other auditor by the Management of the Company.

Management's Responsibility for the Pro Forma Condensed Consolidated Financial Information

3. The Company's management is responsible for compiling the Pro Forma Condensed Consolidated Financial Information on the basis as described in Note 2(c) to the Proforma Condensed Consolidated Financial Information which has been approved by the Board of Directors of the Company on 9 September 2023. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Pro Forma Condensed Consolidated Financial Information on the basis as described in Note 2(c) to the Proforma Condensed Consolidated Financial Information that is free from material misstatement, whether due to fraud or error. The Company's management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Pro Forma Condensed Consolidated Financial Information.

Auditor's Responsibilities

4. Our responsibility is to express an opinion, as required by the ICDR Regulations, about whether the Pro Forma Condensed Consolidated Financial Information has been compiled, in all material respects, by the Company's Management on the basis as described in Note 2(c) to the Proforma Condensed Consolidated Financial Information.

5. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the Institute of Chartered Accountants of India. This standard requires that the auditor comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Company's Management has compiled, in all material respects, the Pro Forma Condensed Consolidated Financial Information on the basis as described in Note 2(c) to the Proforma Condensed Consolidated Financial Information.

6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Condensed Consolidated Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Condensed Consolidated Financial Information.

7. The purpose of Pro Forma Condensed Consolidated Financial Information included in the Addendum DRHP is solely to illustrate the impact of the acquisition of Sharon as described in Note 2(c) to the Proforma Condensed Consolidated Financial Information on unadjusted restated consolidated financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at and for the year ended 31 March 2023 would have been as presented.

8. A reasonable assurance engagement to report on whether the Pro Forma Condensed Consolidated Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Company's Management in the compilation of the Pro Forma Condensed Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Condensed Consolidated Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

9. The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the Group, the event or transaction in respect of which the Pro Forma Condensed Consolidated Financial Information has been compiled, and other relevant engagement circumstances.

10. The engagement also involves evaluating the overall presentation of the Pro Forma Condensed Consolidated Financial Information.

11. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Qualified Opinion

12. In our opinion, the Pro Forma Condensed Consolidated Financial Information has been compiled, in all material respects, on the basis as described in Note 2 (c) to the Pro Forma Condensed Consolidated Financial Information, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report.

Basis for Qualified Opinion

13. As more fully explained in Note 4(a) of the Proforma Condensed Consolidated Financial Information, owing to the transition of management from Resolution Professional to the reconstituted Board of Directors of Sharon in accordance with the order of the Hon'ble National Company Law Tribunal ('NCLT') dated 17 May 2023 on the resolution plan submitted under the Corporate Insolvency Resolution Process ("CIRP") under the aegis of the Insolvency and Bankruptcy Code, 2016 ("IBC"), the reconstituted Board of Directors of Sharon were not able to perform impairment testing of its property, plant and equipment of Rs. 1,076.25 million as at 31 March 2023. The audit report of the other auditor dated 9 September 2023 on the Special Purpose Ind AS Financial Statements of Sharon as at and for the year ended 31 March 2023 included a qualification in relation to this matter.

    Considering Sharon has not made any assessment for impairment in respect of these property, plant and equipment in accordance with Indian Accounting Standard (Ind AS) 36 –"Impairment of assets" as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, we are unable to comment whether any adjustments are necessary to the carrying values of property, plant and equipment and its consequential impact on the profit for the year ended 31 March 2023 and retained earnings as at 31 March 2023 in the Pro Forma Condensed Consolidated Financial Information.

Emphasis of Matter

14. We draw attention to Note 4 (d) of the Proforma Condensed Consolidated Financial Information with respect to an expenditure of Rs. 96.73 million charged to the Statement of Profit and Loss of Sharon for the year ended 31 March 2023 representing Rs. 73.95 million of sales tax / VAT receivables written off and an accrual of Rs. 22.78 million towards claims made by sales tax/ VAT authorities which was

admitted & settled in accordance with the order of the Hon'ble NCLT dated 17 May 2023. The audit report of the other auditor dated 9 September 2023 on the Special Purpose Ind AS Financial Statements of Sharon as at and for the year ended 31 March 2023 also contains an Emphasis of Matter with respect to this matter. Sharon has made the relevant adjustments its Special Purpose Ind AS Financial Statements in accordance with the accounting treatment prescribed under Indian Accounting Standard (Ind AS) 10 – "Events after the Reporting Period" which has resulted in a decrease in the profit for the year and a corresponding decrease in other equity by Rs. 96.73 million in the Pro Forma Condensed Consolidated Financial Information.

Our opinion is not modified in respect of this matter.

Restriction on Use

15. Our report is intended solely for use of the Board of Directors for inclusion in the Addendum DRHP to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra at Mumbai, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. The Proforma Condensed Consolidated Financial Information is not a complete set of financial statements of the Group prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act, as applicable and is not intended to give a true and fair view of the financial position of the Group as at 31 March, 2023 and of its financial performance (including other comprehensive income) for the years ended 31 March, 2023 in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act, as applicable. As a result, this Proforma Condensed Consolidated Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/ W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 23507857BGYNWP8725

Place: Panchkula
Date: 9 September 2023

Innova Captab Limited (CIN: U24246MH2005PLC150371)
Pro Forma Condensed Consolidated Balance Sheet
(Amount in INR millions, except for share data unless otherwise stated)

Particulars	Restated Consolidated Financial Information of the Group (Historical)	Financial information of Sharon Bio-Medicine Limited (Historical)	Pro Forma Adjustments	Notes	Pro Forma Condensed Consolidated Financial Information
	As at 31 March 2023				
	(a)	(b)	(c)		(d)
Assets					
(1) Non-current assets					
(a) Property, plant and equipment	1,501.06	1,076.25	338.73	3(a)	2,916.04
(b) Right-of-use assets	153.04	202.40	89.91	3(a)	445.35
(c) Capital work-in-progress	215.43	2.01	-		217.44
(d) Goodwill	166.94	-	-		166.94
(e) Other intangible assets	7.73	-	1.83	3(a)	9.56
(f) Financial assets					
(i) Investments	0.00	-	-	3(e)	0.00
(ii) Loans	4.78	-	-	3(e)	4.78
(iii) Other financial assets	5.59	17.11	-		22.70
(g) Deferred tax assets (net)	1.20	-	218.19	3(a)	219.39
(h) Income tax assets (net)	7.27	-	-		7.27
(i) Other non-current assets	556.43	5.28	-		561.71
Total non-current assets	**2,619.47**	**1,303.05**	**648.66**		**4,571.18**
(2) Current assets					
(a) Inventories	1,173.16	390.18	-		1,563.34
(b) Financial assets					-
(i) Trade receivables	2,652.18	260.85	-		2,913.03
(ii) Cash and cash equivalents	35.25	97.69	-		132.94
(iii) Bank balances other than (ii) above	153.50	802.24	(562.11)	3(d)	393.63
(iv) Loans	10.11	-	-		10.11
(v) Other financial assets	71.94	37.44	-		109.38
(c) Other current assets	328.53	165.01	-		493.54
Total current assets	**4,424.67**	**1,753.41**	**(562.11)**		**5,615.97**
Total assets	**7,044.14**	**3,056.46**	**86.55**		**10,187.15**
Equity and liabilities					
(1) Equity					
(a) Equity share capital	480.00	11.51	(11.51)	3(e)	480.00
(b) Other equity	2,285.06	(6,011.69)	6,502.45	3(b), 3(c),3(d)(iii), 3(d)(iv)	2,775.82
Total equity	**2,765.06**	**(6,000.18)**	**6,490.94**		**3,255.82**
Liabilities					
(2) Non- current liabilities					
(a) Financial liabilities					
(i) Borrowings	1,341.77	5,580.17	(4,130.13)	3(b), 3(d)(iii), 3(d)(iv), 3(e)	2,791.81
(ii) Lease liabilities	13.84	-	-		13.84
(iii) Other financial liabilities	78.94	-	-		78.94
(b) Provisions	28.97	62.92	-		91.89
(c) Deferred tax liabilities (net)	39.21	-	-		39.21
(d) Other non-current liabilities	0.85	-	-		0.85
Total non-current liabilities	**1,503.58**	**5,643.09**	**(4,130.13)**		**3,016.54**
(3) Current liabilities					
(a) Financial liabilities					
(i) Borrowings	1,010.15	2,693.07	(2,189.07)	3(b), 3(d)(i), 3(d)(iv)	1,514.15
(ii) Lease liabilities	3.96	3.98	-		7.94
(iii) Trade payables					
- total outstanding dues of micro and small	5.73	13.51	-		19.24
- total outstanding dues of creditors other than micro and small enterprises	1,579.10	410.20	(279.50)	3(d)(i), 3(d)(iii)	1,709.80
(iv) Other financial liabilities	114.63	133.60	228.86	3(d)(i), 3(d)(iii)	477.09
(b) Other current liabilities	56.10	133.60	(34.55)	3(d)(i), 3(d)(ii), 3(d)(iii)	155.15
(c) Provisions	5.83	25.59	-		31.42
(d) Current tax liabilities (net)	-	-	-		-
Total current liabilities	**2,775.50**	**3,413.55**	**(2,274.26)**		**3,914.79**
Total liabilities	**4,279.08**	**9,056.64**	**(6,404.39)**		**6,931.33**
Total equity and liabilities	**7,044.14**	**3,056.46**	**86.55**		**10,187.15**

See accompanying notes to the pro forma condensed consolidated financial information.
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Innova Captab Limited

Gaurav Mahajan
Partner
Membership Number : 507857

Manoj Kumar Lohariwala
Chairman & Wholetime Director
DIN : 00144656

Vinay Kumar Lohariwala
Managing Director
DIN : 00144700

Neeharika Shukla
Company Secretary
Membership No. A42724

Gaurav Srivastava
Chief Financial Officer

Place: Panchkula
Date: 9 September 2023

Innova Captab Limited (CIN: U24246MH2005PLC150371)
Pro Forma Condensed Consolidated Statement of Profit and Loss
(Amount in INR millions, except for share data unless otherwise stated)

	Particulars	For the year ended 31 March 2023				
		Restated Consolidated Financial Information of the Group (Historical)	**Financial information of Sharon Bio-Medicine Limited**	**Pro Forma Adjustments**	**Notes**	**Pro Forma Condensed Consolidated Financial Information**
		(a)	(b)	(c)		(d)
I	Revenue from operations	9,263.80	1,922.16	-		11,185.96
II	Other income	91.98	44.56	542.94	3(d)(iii)	679.48
III	**Total income (I + II)**	**9,355.78**	**1,966.72**	**542.94**		**11,865.44**
IV	**Expenses**					
	Cost of materials consumed	6,466.06	911.60	-		7,377.66
	Purchase of stock-in-trade	447.91	-	-		447.91
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	1.65	41.97	-		43.62
	Employee benefits expense	547.97	332.93	-		880.90
	Finance costs	199.73	0.62	165.24	3(b)	365.59
	Depreciation and amortization expense	110.77	107.42	(21.06)	3(a)	197.13
	Other expenses	663.74	478.86	-		1,142.60
	Total expenses (IV)	**8,437.83**	**1,873.40**	**144.18**		**10,455.41**
V	**Profit before tax (III-IV)**	**917.95**	**93.32**	**398.76**		**1,410.03**
VI	**Tax expense:**					
(i)	Current tax	218.60	-	-		218.60
(ii)	Deferred tax	19.81	-	160.42	3(a), 3(f)	180.23
	Total tax expense (VI)	**238.41**	**-**	**160.42**		**398.83**
VII	**Profit for the year (V-VI)**	**679.54**	**93.32**	**238.34**		**1,011.20**
VIII	**Other comprehensive income/(loss)**					
	Items that will not be reclassified to profit or loss					
	Remeasurement of defined benefit obligation	(0.72)	3.78	-		3.06
	Income tax relating to items that will not be reclassified to profit or loss	0.18	-	1.29	3(a), 3(f)	1.47
	Total other comprehensive (loss)/income for the year (net of tax)	**(0.54)**	**3.78**	**1.29**		**4.53**
IX	**Total comprehensive income for the year (VII+VIII)**	**679.00**	**97.10**	**239.63**		**1,015.73**
	Earnings per equity share					
	Basic and diluted [nominal value of INR 10 per share]	14.16			3(g)	21.07

See accompanying notes to the pro forma condensed consolidated financial information
As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of
Innova Captab Limited

Gaurav Mahajan
Partner
Membership Number : 507857

Manoj Kumar Lohariwala
Chairman & Wholetime Director
DIN : 00144656

Vinay Kumar Lohariwala
Managing Director
DIN : 00144700

Neeharika Shukla
Company Secretary
Membership No. A42724

Gaurav Srivastava
Chief Financial Officer

Place: Panchkula
Date: 9 September 2023

Innova Captab Limited
Notes to the Pro Forma Condensed Consolidated Financial Information

1. Company Information

Innova Captab Limited ("the Company" or "the Holding Company"), a Company domiciled in India with its registered situated at Office No. 606, Ratan Galaxie-6th Floor, J.N. Road, Plot No. 1, Mulund (W), Mumbai, MH 400080, India, was incorporated in Mumbai on 3 January 2005 as a private limited company. The Company was initially incorporated with the name of "Harun Healthcare Private Limited" and later on the name was changed to "Innova Captab Private Limited". The Company was converted into a Public Limited Company w.e.f 26 July 2018. After conversion, the name of the Company is "Innova Captab Limited".

The Company and its following subsidiaries are referred to collectively as the "Group":

(i) Univentis Medicare Limited – incorporated in India
(ii) UML Foundation – incorporated in India

The Pro Forma Condensed Consolidated Financial Information have been approved by the Company's Board of Directors on 9 September 2023.

2. Background of transaction and Basis of preparation

(a) *Background of transaction*

On 21 August 2022, the Board of Directors approved the submission of resolution plan for the acquisition of Sharon Bio-Medicine Limited ('Sharon'), a listed company, which was then under the Corporate Insolvency Resolution Process. The Company exercised its power vested under the resolution plan to acquire Sharon Bio-Medicine Limited through its wholly owned subsidiary i.e. Univentis Medicare Limited. The same was approved by the Board of Directors of Univentis Medicare Limited on 20 March 2023 and by the shareholders of Univentis Medicare Limited on 21 March 2023. The Resolution Plan was approved by Hon'ble National Company Law Tribunal, Mumbai Bench on 17 May 2023. Subsequently, the payment of Rs. 10.00 million towards equity and Rs. 1,944.00 million towards loan, as envisaged under the approved Resolution Plan was made on 26 June 2023. The implementation of the plan was completed on 30 June 2023 viz. closing date as per the approved Resolution Plan and therefore the control over Sharon Bio-Medicine Limited was established. The transfer was considered as business combination as per Ind AS 103.

(b) *Background on Corporate Insolvency Resolution Process of Sharon*

Sharon, has undergone a corporate insolvency resolution process ("CIRP") under the aegis of the Insolvency and Bankruptcy Code, 2016 ("IBC"). Company Petition bearing C.P. No. 246/I&BP/NCLT/MAH/2017 ("Company Petition") filed by Mis. Culross Opportunities SP. and Peter Beck and Partners under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code"), against Sharon, was admitted by the Hon'ble National Company Law Tribunal, Mumbai ("Hon'ble NCLT") on 11 April 2017 and the Corporate Insolvency Resolution Process ("CIR Process") for Sharon was initiated vide order dated 25 April 2017 wherein the Hon'ble NCLT appointed the Mr. Dinkar T. Venkatasubramanian as the Interim Resolution Professional for Sharon who was later confirmed as Resolution Professional by the members of the Committee of Creditors ("CoC") on 22 May 2017. Sharon has been declared as a wilful defaulter by the banks as it was under Corporate Insolvency Resolution Process since 11 April 2017.

After following the due process of law as prescribed under the IBC, the resolution plan ("erstwhile Resolution Plan") submitted by Peter Beck and Partners ("erstwhile Resolution Applicant") for the Sharon was approved by members of the CoC and later approved by the Hon'ble Tribunal on 28 February 2018 ("erstwhile Plan Approval Order"). The Plan Approval Order was challenged by the erstwhile Promoters of Sharon before the National Company Law Appellate Tribunal ("NCLAT") and the Supreme Court. The challenge was ultimately dismissed by the NCLAT on 19 December 2018 and by the Hon'ble Supreme Court on 05 April 2019. However, the erstwhile Resolution Applicant did not implement the Resolution Plan for the Sharon and also contravened the terms of the erstwhile Resolution Plan approved by the Hon'ble NCLT.

Pursuant to the erstwhile Resolution Plan, the erstwhile Resolution Applicant through Peter Beck and Peter Vermoegensverwaltung Ltd had infused a sum of Rs. 100.60 million on 27 August 2019, for allotment of share capital which is still pending allotment beyond the stipulated time as per the Companies Act 2013, since the erstwhile Resolution Applicant had failed to implement the erstwhile resolution plan.

Since, the erstwhile Resolution Applicant had not implemented the erstwhile Resolution Plan, State Bank of India ('SBI') on behalf of financial creditors ("Lenders") filed an appeal before Hon'ble NCLT on 06 December 2019 and sought directions for re-initiation of CIRP in order to invite fresh bids from prospective resolution applicants.

Pursuant to the application, the erstwhile Resolution Applicant indicated his willingness to implement the erstwhile Resolution Plan.

Hence, the Lenders in September 2020 agreed to give a final opportunity to the erstwhile Resolution Applicant for implementation of the erstwhile Resolution Plan by 07 November 2020.

As part of the terms of the erstwhile Resolution Plan, Sharon completed the capital reduction process on 04 November 2020. However, the erstwhile Resolution Applicant yet again failed to implement the erstwhile Resolution Plan.

The Hon'ble NCLT vide its order dated 02 February 2021 directed the erstwhile Resolution Applicant to infuse funds within two weeks, directed the lenders to provide bank details for infusion of funds and waived off the requirement of submission of bank guarantee as stipulated in the erstwhile Resolution Plan.

On 18 February 2021 the SBI on behalf of financial creditors filed an appeal before NCLAT against the NCLT order dated 02 February 2021. The Hon'ble NCLAT vide its order dated 05 January 2022 directed the erstwhile Resolution Applicant to submit the bank guarantee as stipulated in the erstwhile Resolution Plan within 30 days and implement the Resolution Plan within 2 months. However, the erstwhile Resolution Applicant did not abide by the directions of the Hon'ble NCLAT and failed to provide the bank guarantee within 30 days from the date of the order passed by the Hon'ble NCLAT.

On account of the failure by the erstwhile Resolution Applicant, SBI, on behalf of the Lenders, filed an application before Hon'ble NCLT on 08 February 2022 seeking directions for liquidation of Sharon as going concern and appointment of liquidator.

The erstwhile Resolution Applicant, instead of implementing the Resolution Plan, filed an appeal before Hon'ble Supreme Court on 02 February 2022 seeking modification of the NCLAT order dated 05 January 2022. During the hearing held before Hon'ble Supreme Court on 28 February 2022, the ld. counsel of erstwhile Resolution Applicant on instructions submitted that it would not be possible for him to comply with the NCLAT order dated 05 January 2022.

The Hon'ble Supreme Court vide its order dated 28 February 2022 in Civil Appeal No. 1305-1306 of 2022 had, inter alia, dismissed the appeal and gave liberty for initiation of fresh Corporate Insolvency Resolution Process (CIRP) of the Sharon and take all consequential actions in furtherance thereof, in accordance with law.

In light of the direction passed by Hon'ble Supreme Court, State Bank of India filed an application bearing IA No. 1062/2022 and an additional affidavit ("Lender's Application) on behalf of all the Lenders of Sharon for granting 105 days for inviting Expression of Interest; inviting resolution plans from interested prospective resolution applicants; appointment of Mr. Pulkit Gupta (IBBI IP Registration No. IBBI/IPA-001/IP-P-02364/2021- 2022/13697) as the Interim Resolution Professional and to take all necessary actions for completion of resolution process of Sharon. The Hon'ble NCLT, Mumbai Bench -1 vide order dated 3 June 2022 allowed the aforesaid lender's application and appointed Mr. Pulkit Gupta as the Interim Resolution Professional. The Hon'ble NCLT, Mumbai Bench 1 also permitted the withdrawal of the liquidation application that had been filed on 8 February 2022. The Committee of Creditors ("CoC") subsequently confirmed the appointment of Mr. Pulkit Gupta as the Resolution Professional on 18 June 2022 in the 12th Meeting of the CoC.

After following the due process of law as prescribed under the IBC and its regulations, the resolution plan submitted by Innova Captab Limited ("Resolution Plan of Innova") for Sharon was approved by members of the CoC on 16 November 2022 and later approved by the Hon'ble NCLT, Mumbai Bench - I on 17 May 2023.

Pursuant to the order passed by the Hon'ble NCLT approving the Resolution Plan of Innova, the Resolution Professional demitted his office and Monitoring Committee comprising one representative of the Secured Assenting Financial Creditors, one representative of the Company and the Resolution Professional (acting as the Monitoring Agent), was constituted on 19 May 2023.

In accordance with the terms of the Resolution Plan of Innova approved by the Hon’ble NCLT, Univentis Medicare Limited (wholly owned subsidiary of the Company) infused INR 1,954.00 (INR. 1,944.00 as loan and INR 10 as equity share capital) into Sharon on 26 June 2023 and closure of implementation pursuant to the Resolution Plan was achieved on 30 June 2023. Following such infusion of funds by Univentis Medicare Limited, Sharon became a wholly owned subsidiary of Univentis Medicare Limited with effect from 30 June 2023.

Consequently, the Monitoring Committee was dissolved on 30 June 2023, and the management of Sharon was transferred to the reconstituted Board of Directors of Sharon on 30 June 2023. In accordance with the CIRP, the process of delisting of Sharon has been initiated and is currently ongoing.

Further, the Resolution Professional on behalf of Company had informed the Hon’ble NCLT vide an affidavit filed with Hon’ble NCLT that consequent to the acquisition of Sharon by Univentis Medicare Limited, Sharon would merge into Univentis Medicare Limited. However, the order of the Hon’ble NCLT dated 17 May 2023 did not record the fact of the aforesaid merger and accordingly, the Monitoring Committee of Sharon (as constituted pursuant to the Resolution Plan of Innova) filed an Interlocutory Application bearing IA no. 2573/2023 dated 9 June 2023 before the Hon’ble NCLT requesting for a rectification of NCLT order dated 17 May 2023 and clarification on the approval of the proposed merger of Sharon into Univentis Medicare Limited. The application dated 16 June 2023 was reserved for order on 20 June 2023 and the final copy of the order is awaited.

Further, SBI on behalf of the secured financial creditors filed an Interlocutory Application bearing IA no. 2989/2023 dated 11 January 2023 before the Hon'ble NCLT seeking appropriate directions of the Hon'ble NCLT for forfeiture and appropriation of INR 100.60 million, deposited by the erstwhile Resolution Applicant through Peter Beck and Peter Vermoegensverwaltung Ltd, in Sharon, in earlier years, between the secured financial creditors of Sharon. The matter is currently pending with the Hon’ble NCLT. Pending directions from the Hon’ble NCLT, this amount has been disclosed under "Other financial liabilities" as "Share Application Money Pending Allotment" in the audited special purpose Ind AS financial statements of Sharon for the year ended 31 March 2023.

(c) *Basis of preparation*

The Pro Forma Condensed Consolidated Statement of Profit and Loss is prepared as if the above acquisition by Univentis Medicare Limited as described in note 2(a) above occurred immediately before the start of the financial year ended 31 March 2023, and Pro Forma Condensed Consolidated Balance Sheet is prepared as if the above transaction occurred as at 31 March 2023.

Because of their nature, the Pro Forma Condensed Consolidated Financial Information addresses a hypothetical situation and therefore, does not represent Group’s factual financial position or results. They purport to indicate the results of operations and the financial position that would have resulted had the acquisition been completed at the date prior to the first period presented but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Group.

The Pro Forma Condensed Consolidated Financial Information of the Group comprises of the Pro Forma Condensed Consolidated Balance Sheet as at 31 March 2023 and the Pro Forma Condensed Consolidated Statement of Profit and Loss for the year ended 31 March 2023, read with the notes to the Pro Forma Condensed Consolidated Financial Information (hereinafter referred as ‘Pro Forma Condensed Consolidated Financial Information’). The accounting policies have been consistently followed in the year presented in the Pro Forma Condensed Consolidated Financial Information.

The Pro Forma adjustments are based upon available information and assumptions that the management of the Group believes to be reasonable. Such Pro Forma Condensed Consolidated Financial Information has been prepared on the basis as stated in Note 3 – "Pro Forma adjustments" and accordingly should not be relied upon as if it had been prepared in accordance with the generally accepted accounting principles. The Pro Forma adjustments are included only to the extent they are (i) directly attributable to the above transaction and (ii) factually supportable. These adjustments do not consider any expected cost savings or potential synergies that may result from the transaction.

The Pro Forma Condensed Consolidated Financial Information for the year ended 31 March 2023 has been prepared by using the following financial statements / information prepared as per generally accepted accounting principles in India :

- the restated consolidated financial information of the Group for the year ended 31 March 2023, 31 March 2022 and 31 March 2021;
- the audited special purpose Ind AS financial statements of Sharon for the year ended 31 March 2023.

Accordingly, the Pro Forma Condensed Consolidated Financial Information consists of four columns wherein:

a) Column a represents Restated Consolidated Financial Information of the Group for the year ended 31 March 2023;

b) Column b represents financial information of Sharon extracted from the audited special purpose Ind AS financial statements of Sharon for the year ended 31 March 2023 as mentioned in Note 2 above.

c) Column c represents pro forma adjustments as mentioned in Note 3 below; and

d) Column d represents total of 'a', 'b' and 'c' above which represents Pro Forma Condensed Consolidated Financial Information.

The Pro Forma Condensed Consolidated Financial Information have been compiled in a manner consistent with the accounting policies adopted in by the Company in the Restated Consolidated Financial Statements of the Company for the year ended 31 March 2023.

This Pro Forma Condensed Consolidated Financial Information was authorised for issue by the Board of Directors on 9 September 2023.

3. Pro forma adjustments

The following pro forma adjustments have been made to the historical financial information:

(a) Net assets acquired

Following table provides the details of net assets acquired determined on the basis of carrying values of the net assets at the year-end date after taking into account fair value adjustments in property, plant and equipment, right-of-use assets, other intangible assets and deferred tax assets (net) as determined by an external expert in the purchase price allocation (PPA) valuation as on acquisition date:

(in INR Million)

Particulars	**As at 31 March 2023**
Non-current assets	1,951.71
Current assets	1,191.30
Total assets [A]	**3,143.01**
Non-current liabilities	2,006.95
Current liabilities	635.30
Total liabilities [B]	**2,642.25**
Preliminary value of net assets acquired [C] = [A-B]	**500.76**

Further, pro forma adjustment has been made to reflect depreciation expense based on that estimated fair value of property, plant and equipment, right-of-use assets, other intangible assets considering the following expected useful lives of property, plant and equipment, right-of-use assets, other intangible assets :

Particulars	**Estimated useful life**
Property, plant and equipment	
Building	50-60 years
Plant and equipment	10-15 years
Lab Equipment	10 years
Electrical installations	5-10 years
Computer	3-10 years
Office Equipment	3-10 years
Furniture and fittings	10 years
Vehicles	10 years
Right-of-use assets	
Leasehold land	95 years
Building	5 years
Other intangible assets	
Software	10 years

As a result, depreciation expense of acquired property, plant and equipment, right-of-use assets, other intangible assets of Sharon has been reduced by INR 21.06 million in the Pro Forma Condensed Consolidated Statement of Profit and Loss.

(b) Purchase consideration

The total purchase consideration has been paid in cash by the Company's wholly owned subsidiary – Univentis Medicare Limited, by way of issue of equity shares of Sharon of INR 10 million and grant of borrowings to Sharon of INR 1,944.00 million.

This acquisition was funded by the long-term borrowings of Rs. 1,450 million carrying interest of 8.5% per annum and the balance of Rs. 504.00 million through internal funds generated by Univentis Medicare Limited. For the purpose of Pro Forma Condensed Consolidated Balance Sheet, amount funded through internal funds generated by Univentis Medicare Limited has been considered to be funded through current borrowings. Accordingly, for the purpose of Pro Forma Condensed Consolidated Statement of Profit and Loss, pro forma adjustment in respect of finance cost has been made assuming 8.5% interest on borrowings of Rs. 1,944.00 million. As a result, Rs. 165.24 million has been recognised as finance cost for the year ended 31 March 2023 as pro forma adjustment, in the Pro Forma Condensed Consolidated Statement of Profit and Loss with a corresponding other current financial liability in the Pro Forma Condensed Consolidated Statement of Balance Sheet.

(c) Capital reserve / goodwill arising on acquisition

The allocation of the total purchase price is based on the fair value of the net assets acquired on the acquisition date (30 June 2023). Goodwill / capital reserve as on the acquisition date has been pushed back to 1 April 2022 which has resulted in net pro forma adjustment in other equity.

(in INR Million)

Particulars	**As at 31 March 2023**
Consideration transferred	10.00
Less: Fair value of identifiable net assets acquired	(500.76)
(Capital Reserve) arising on acquisition on balance sheet date (31 March 2023)	(490.76)
(Capital Reserve) arising as on 30 June 2023	(711.95)
Net Pro Forma adjustment to other equity	(221.19)

(d) Consequent adjustments inherent in the resolution plan approved by Hon'ble NCLT:

In accordance with the terms of the resolution plan, impact of certain transaction inherent to the aforesaid acquisition have also been adjusted on the closing date. The details of such transaction are as follows:

— **(i) Payment of liabilities of Sharon**

The Company has made pro forma adjustment for the payments of INR 4.00 million towards operational creditors (i.e against trade payable), INR 14.78 million towards unsecured assenting financial creditors (i.e against non-current borrowings), INR 22.78 million towards Sales Tax/VAT authorities (i.e against other current liabilities), INR 75.37 million towards non-current portion of secured assenting financial creditors (i.e against non-current borrowings), INR 2,468.71 million towards current portion of secured assenting financial creditors (i.e against current borrowings) made by Sharon pursuant to the successful implementation of the resolution plan as if the payments was made on 1 April 2022. Out of the above payments, amount of INR 0.95 million, INR 22.78 million, INR 41.00 million is yet to be paid towards operational creditors, secured operational creditors and secured financial creditors respectively due to operational constraints. The unpaid amount has been classified as other current-financial liability in Pro Forma Condensed Consolidated Financial Information. The Company has deposited all amounts payable as per the Resolution Plan of Innova in respective escrow accounts.

— **(ii) Payment to erstwhile public shareholders of Sharon**

The Company has made pro forma adjustment for the payment of INR 0.10 million to erstwhile public shareholders having equity share capital of INR 11.51 million, which is yet to be paid due to operational constraints and hence has been classified as other current financial liability in Pro Forma Condensed Financial Information. The Company has deposited all amounts payable as per the Resolution Plan of Innova in respective escrow accounts.

— **(iii) Write back of certain remaining liabilities of Sharon**

In accordance with the terms of the resolution plan, the Company has made pro forma adjustment for the write back of INR 542.94 million comprising of INR 275.50 million towards trade payables, INR 254.47 million towards non-current borrowings, INR 1.19 million towards other financial liabilities and INR 11.77 million towards other current liabilities made by Sharon pursuant to the successful implementation of the resolution plan as if the write back was made on 1 April 2022.

— **(iv) Conversion of remaining borrowings of Sharon into equity and corresponding capital reduction by Sharon**

In accordance with the terms of the resolution plan, Sharon converted INR 224.36 million of current borrowings and INR 5,250.30 million of non-current borrowings into equity share capital at face value of Rs. 2 per share amounting to INR 26.25 million and the remaining balance of INR 5,448.41 million was reflected as securities premium.

Thereafter, Sharon conducted capital reduction thereby reducing the entire equity share capital (i.e share capital held with erstwhile public shareholders of Sharon and share capital issued against the non-current and current borrowings) to zero by setting up a capital reserve of INR 37.66 million. The Company has made the aforesaid adjustment in the Pro Forma Condensed Consolidated Financial Information as if the conversion and capital reduction took place on 1 April 2022.

(e) Intra-company transactions:

The Company has presented the intragroup elimination adjustments in respect of transactions between the Company, its subsidiaries and Sharon Bio-Medicine Limited have been eliminated from the Pro Forma Condensed Consolidated Financial Information.

(f) Tax expenses:

Tax expense is determined for respective entities as if these were separate taxable entities from the beginning of the first period presented. Adjustment has been made to the deferred tax charge/credit considering the adjustments made in the historical financial information after taking into account pro forma adjustments made.

(g) Earnings per Share:

Earnings per shares (Basic and Diluted) has been computed for all the years presented in the Pro Forma Condensed Consolidated Financial Information considering the Profit for the year as per Pro Forma Condensed Consolidated Statement of Profit and Loss. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split as considered in the Restated Consolidated Financial Statements. There has been no effect of the above transaction on the weighted average equity share of any year presented in the Pro Forma Condensed Consolidated Financial Information.

4. Other matters

(a) Owing to the transition of management from Resolution Professional to the reconstituted Board of Directors of Sharon in accordance with the order of the Hon'ble NCLT dated 17 May 2023 on the resolution plan submitted under the corporate insolvency resolution process ("CIRP") under the aegis of the Insolvency and Bankruptcy Code, 2016 ("IBC"), the reconstituted Board of Directors of Sharon were not able to perform impairment testing of its property, plant and equipment of Rs. 1,076.25 million as at 31 March 2023 in accordance with Indian Accounting Standard (Ind AS) 36 –"Impairment of assets" as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

(b) The gratuity benefits of Sharon were administered by a trust formed for this purpose through the group gratuity scheme. Sharon has not contributed towards the trust for the pending changes in the trustees. Since there are no transactions in the gratuity trust, the same has become inoperative. Accordingly, Sharon has not complied with the provisions of Section 4A(5) of the Payment of Gratuity Act, 1972 in relation to failure to make contribution to the gratuity fund formed for gratuity contribution through the group gratuity scheme of Sharon.
The current management is taking necessary actions to remediate the above and believes that the same will have no impact pursuant to the terms of the Resolution Plan of Innova approved by the Hon'ble NCLT and accordingly no provision for penalties etc. has been recognized in relation to the above.

(c) As at 31 March 2023, unclaimed dividend of Rs. 1.27 million pertaining to Sharon could not be transferred to Investor's protection Fund of Central Government and the relevant e-filings with registrar of Companies could not be completed in this respect since there were no authorized persons registered with MCA. Accordingly, Sharon has not complied with the provisions of Section 124(5) of Companies Act, 2013 and Rule 5 of The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

The current management is taking necessary actions to remediate the above and believes that the same will have no impact pursuant to the terms of the Resolution Plan of Innova approved by the Hon'ble NCLT and accordingly no provision for penalties etc. has been recognized in relation to the above.

(d) During the year ended 31 March 2023, expenditure of Rs. 96.73 million has been charged to the Statement of Profit and Loss of Sharon by way of write off of amount receivable against sales tax/VAT refunds of Rs 73.95 million pertaining to the financial years 2007-08 to 2017-18 which were presented as balance with government authorities under other current assets till 31 March 2022 and accrual of Rs. 22.78 million towards the claim of the sales tax/VAT authorities for the aforesaid years admitted and settled in accordance with the order of the Hon'ble NCLT dated 17 May 2023 on the Resolution Plan of Innova submitted by the Company. Since the implementation of resolution plan resulted in an obligating event, which resulted in being an adjusting event after the reporting period, Sharon has made the relevant adjustments in the audited special purpose Ind AS financial statements in accordance with the accounting treatment prescribed under Indian Accounting Standard (Ind AS) 10 – “Events after the Reporting Period” resulting in decrease in profit for the year of Sharon and corresponding decrease in other equity of Sharon by Rs. 96.73 million.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 9 September 2023

For and on behalf of Board of Directors of
Innova Captab Limited

Manoj Kumar Lohariwala
Chairman & Wholetime Director
DIN : 00144656

Vinay Kumar Lohariwala
Managing Director
DIN : 00144700

Neeharika Shukla
Company Secretary
Membership No. A42724

Gaurav Srivastava
Chief Financial Officer

Place: Panchkula
Date: 9 September 2023

OTHER FINANCIAL INFORMATION

Accounting ratios derived from the Restated Consolidated Financial Information

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Earnings per Equity Share (basic)[1] (in ₹)	14.16	13.32	7.19
Earnings per Equity Share (diluted)[2] (in ₹)	14.16	13.32	7.19
Return on Net Worth[3] (in %)	24.58	30.66	23.83
Net Asset Value per Equity Share (in ₹)[4]	57.60	43.45	30.16
Profit for the year (in ₹ million)	679.54	639.53	345.00
EBITDA[5] (in ₹ million)	1,228.45	989.03	558.57

Notes:

1. *Basic EPS amounts are calculated by dividing the restated profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.*
2. *Diluted EPS amounts are calculated by dividing the restated profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into Equity shares.*
3. *Return on Net Worth, a non-GAAP measure, is calculated as profit for the year divided by net worth.*
4. *Net Asset Value Per Equity Share, a non-GAAP measure, derived as Equity Calculated as net worth divided by number of equity shares outstanding as at the year end.*
5. *EBITDA, a non-GAAP measure, is calculated as restated profit for the year plus total tax expense, plus depreciation and amortization expense, plus finance costs.*

Accounting ratios derived from the Pro Forma Condensed Consolidated Financial Information

The accounting ratios derived from Pro Forma Condensed Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2023
Earnings per Equity Share (basic)[1] (in ₹)	21.07
Earnings per Equity Share (diluted)[2] (in ₹)	21.07
Return on Net Worth[3] (in %)	36.58%
Net Asset Value per Equity Share (in ₹)[4]	57.60
Profit for the year (in ₹ million)	1,011.20
EBITDA[5] (in ₹ million)	1,972.75

Notes:

1. *Basic EPS amounts are calculated by dividing the Pro Forma profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.*
2. *Diluted EPS amounts are calculated by dividing the Pro Forma profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into Equity shares.*
3. *Return on Net Worth, a non-GAAP measure, is calculated as Pro Forma profit for the year divided by net worth.*
4. *Net Asset Value Per Equity Share, a non-GAAP measure, is calculated as net worth divided by number of equity shares outstanding as at the year end.*
5. *EBITDA, a non-GAAP measure, is calculated as Pro Forma profit for the year plus total tax expense, plus depreciation and amortization expense, plus finance costs.*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company and UML for Fiscals 2021, 2022 and 2023 (collectively, the **"Audited Standalone Financial Statements**") are available on our website at www.innovacaptab.com/investor-relations.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Standalone Financial Statements do not constitute, (i) a part of this Addendum; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Standalone Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this Addendum are as set out below:

Based on our Restated Consolidated Financial Information

1. Earnings before interest and tax (EBIT)

The following table sets forth our earnings before interest and tax (EBIT), including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2023, Fiscal 2022 and Fiscal 2021. Earnings before interest and tax is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs.

(in ₹ million)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit for the year (A)	679.54	639.53	345.00
Add: Total tax expense (B)	238.41	217.67	118.44
Add: Finance costs (C)	199.73	56.80	39.27
EBIT (D=A+B+C)	**1,117.68**	**914.00**	**502.71**

Source: Derived from the Restated Consolidated Financial Information

2. EBITDA and EBITDA Margin

The following table sets forth our EBITDA and EBITDA Margin, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for Fiscal 2023, Fiscal 2022 and Fiscal 2021.

(₹ in million, except for percentages)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit for the year (A)	679.54	639.53	345.00
Add: Finance costs (B)	199.73	56.80	39.27
Add: Total tax expense (C)	238.41	217.67	118.44
Add: Depreciation and amortization expense (D)	110.77	75.03	55.86
EBITDA (E=A+B+C+D)	**1,228.45**	**989.03**	**558.57**
Revenue from operations (F)	**9,263.80**	**8,005.26**	**4,106.62**
EBITDA Margin (G=E/F)	**13.26%**	**12.35%**	**13.60%**

Source: Derived from the Restated Consolidated Financial Information

3. Net Debt

The following table sets forth our Net Debt for Fiscal 2023, Fiscal 2022 and Fiscal 2021, on a restated consolidated basis. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the year.

(in ₹ million)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Non-current borrowings (1)	1,341.77	673.52	60.00
Current borrowings (2)	1,010.15	1,308.30	390.26
Total borrowings (A= (1) + (2))	**2,351.92**	**1,981.82**	**450.26**
Cash and cash equivalents (3)	35.25	1.52	47.95
Bank balances other than cash and cash equivalents (4)	153.50	22.87	70.99
Net Debt (B=A-(3+4))	**2,163.17**	**1,957.43**	**331.32**

Source: Derived from the Restated Consolidated Financial Information

4. Debt-Equity Ratio and Net Debt/EBITDA Ratio

The following table sets forth our Debt-Equity Ratio and Net Debt/EBITDA Ratio, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2023, Fiscal 2022 and Fiscal 2021. Debt-Equity Ratio is calculated as total borrowings divided by total equity. Total borrowings is calculated as the sum of (i) non-current borrowings, and (ii) current borrowings. Net Debt/EBITDA Ratio is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances as at the end of the year.

(in ₹ million, except ratios)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Non-current borrowings (1)	1,341.77	673.52	60.00
Current borrowings (2)	1,010.15	1,308.30	390.26
Total borrowings (A= (1) + (2))	2,351.92	1,981.82	450.26
Total equity (B)	2,765.06	2,086.06	1,448.21
Debt-Equity Ratio (C=A/B)	**0.85**	**0.95**	**0.31**
Profit for the year (D)	679.54	639.53	345.00
Debt/Profit for the year (A/D)	**3.46**	**3.10**	**1.31**
Cash and cash equivalents (3)	35.25	1.52	47.95
Bank balances other than cash and cash equivalents (4)	153.50	22.87	70.99
Net Debt (E=A-(3+4))	2,163.17	1,957.43	331.32
EBITDA (F)	1,228.45	989.03	558.57
Net Debt / EBITDA Ratio (G=E/F)	**1.76**	**1.98**	**0.59**

Source: Derived from the Restated Consolidated Financial Information

5. Return on Equity

The following table sets forth our Return on Equity, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2023, Fiscal 2022 and Fiscal 2021. Return on Equity is calculated as profit for the year divided by total equity.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit for the year (A)	679.54	639.53	345.00
Total equity (B)	2,765.06	2,086.06	1,448.21
Return on Equity (C=A/B)	**24.58%**	**30.66%**	**23.82%**

Source: Derived from the Restated Consolidated Financial Information

6. PAT Margin

The following table sets forth our PAT Margin, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2023, Fiscal 2022 and Fiscal 2021. PAT Margin is calculated as profit for the year divided by revenue from operations.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit for the year (A)	679.54	639.53	345.00
Revenue from operations (B)	9,263.80	8,005.26	4,106.62
PAT Margin (C=A/B)	**7.34%**	**7.99%**	**8.40%**

Source: Derived from the Restated Consolidated Financial Information

7. Capital Employed

The following table sets forth our Capital Employed for Fiscal 2023, Fiscal 2022 and Fiscal 2021, on a restated consolidated basis. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(in ₹ million)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Total assets (1)	7,044.14	5,754.75	3,696.16
Total liabilities (2)	4,279.08	3,668.69	2,247.95
Goodwill (3.1)	166.94	166.94	-
Other intangible assets (3.2)	7.73	4.53	4.44
Non-current borrowings (4)	1,341.77	673.52	60.00
Current borrowings (5)	1,010.15	1,308.30	390.26
Total borrowings (6)=(4)+(5)	2,351.92	1,981.82	450.26
Capital Employed ((7) = (1) – (2) – (3.1) – (3.2) + (6))	**4,942.31**	**3,896.41**	**1,894.03**

Source: Derived from the Restated Consolidated Financial Information

8. Return on Capital Employed

The following table sets forth our Return on Capital Employed, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2023, Fiscal 2022 and Fiscal 2021. Return on Capital Employed is calculated as earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit for the year (A)	679.54	639.53	345.00
Add: Total tax expense (B)	238.41	217.67	118.44
Add: Finance costs (C)	199.73	56.80	39.27
EBIT (D=A+B+C)	**1,117.68**	**914.00**	**502.71**
Total assets (1)	7,044.14	5,754.75	3,696.16
Total liabilities (2)	4,279.08	3,668.69	2,247.95
Goodwill (3.1)	166.94	166.94	-
Other intangible assets (3.2)	7.73	4.53	4.44
Non-current borrowings (4)	1,341.77	673.52	60.00
Current borrowings (5)	1,010.15	1,308.30	390.26
Total borrowings (6) = (4) + (5)	2,351.92	1,981.82	450.26
Capital Employed (E= (1) – (2) – (3.1) – (3.2) + (6))	**4,942.31**	**3,896.41**	1,894.03
Return on Capital Employed (F=D/E)	**22.61%**	**23.46%**	**26.54%**

Source: Derived from the Restated Consolidated Financial Information

9. Fixed Asset Turnover Ratio

The following table sets forth our Fixed Asset Turnover Ratio, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2023, Fiscal 2022 and Fiscal 2021. Fixed Asset Turnover Ratio is calculated as revenue from operations divided by sum of the property, plant and equipment, other intangible assets and capital work in progress as at the end of the year.

(in ₹ million, except ratios)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Property Plant and Equipment (A)	1,501.06	1,565.60	763.59
Other intangible assets (B)	7.73	4.53	4.44
Capital work in progress (C)	215.43	0.31	72.64
Revenue from operations (D)	9,263.80	8,005.26	4,106.62
Fixed Asset Turnover Ratio (E=D/(A+B+C)))	**5.37**	**5.10**	**4.88**

Source: Derived from the Restated Consolidated Financial Information

10. Net Worth

The following table sets forth our Net Worth, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2023, Fiscal 2022 and Fiscal 2021. Net Worth is calculated as a sum of Equity Share capital and other equity less capital reserves.

(in ₹ million)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Equity share capital (A)	480.00	120.00	120.00
Other equity (B)	2,285.06	1,966.06	1,328.21
Capital reserve (C)	0.44	0.44	0.44
Net Worth (D=A+B-C)	**2,764.62**	**2,085.62**	**1,447.77**

Source: Derived from the Restated Consolidated Financial Information

11. Return on Net Worth

The following table sets forth our Return on Net Worth, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2023, Fiscal 2022 and Fiscal 2021. Return on Net Worth is calculated as profit for the year divided by net worth as at the end of the year.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit for the year (A)	679.54	639.53	345.00
Net Worth (B)	**2,764.62**	**2,085.62**	1,447.77
Return on Net Worth (C=A/B)	**24.58%**	**30.66%**	**23.83%**

Source: Derived from the Restated Consolidated Financial Information

12. Net Asset Value per Equity Share

The following table sets forth our Net Asset value per Equity Share for Fiscal 2023, Fiscal 2022 and Fiscal 2021, on a restated consolidated basis. Net Asset Value per Equity Share is calculated as net worth divided by number of equity shares outstanding as at the end of the year.

(in ₹ million, except stated otherwise)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Equity share capital (A)	480.00	120.00	120.00
Other equity (B)	2,285.06	1,966.06	1,328.21
Capital reserve (C)	0.44	0.44	0.44
Net Worth (D=A+B-C)	**2,764.62**	**2,085.62**	**1,447.77**
Number of Equity shares outstanding as at the year end	48,000,000	48,000,000	48,000,000
Net Asset Value per Equity Share (in ₹)	**57.60**	**43.45**	**30.16**

Source: Derived from the Restated Consolidated Financial Information

Based on our Pro Forma Condensed Consolidated Financial Information

1. Pro Forma Earnings Before Interest And Tax

The following table sets forth our Pro Forma Earnings Before Interest And Tax ("**Pro Forma EBIT**"), including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma EBIT is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs.

(in ₹ million)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Add: Total tax expense (B)	398.83
Add: Finance costs (C)	365.59
Pro Forma EBIT (D=A+B+C)	**1,775.62**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

2. Pro Forma EBITDA and Pro Forma EBITDA Margin

The following table sets forth our Pro Forma EBITDA and Pro Forma EBITDA Margin, including a reconciliation of each such financial measure to our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023.

(₹ in million, except for percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Add: Finance costs (B)	365.59
Add: Total tax expense (C)	398.83
Add: Depreciation and amortization expense (D)	197.13
Pro Forma EBITDA (E=A+B+C+D)	**1,972.75**
Revenue from operations (F)	**11,185.96**
Pro Forma EBITDA Margin (G=E/F)	**17.64%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

3. Pro Forma Net Debt

The following table sets forth our Pro Forma Net Debt for Fiscal 2023, on a pro forma condensed basis. Pro Forma Net Debt is calculated as Total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the year.

(in ₹ million)

Particulars	Year ended March 31, 2023
Non-current borrowings (1)	2,791.81
Current borrowings (2)	1,514.15
Total borrowings (A = (1) + (2))	**4,305.96**
Cash and cash equivalents (3)	132.94
Bank balances other than cash and cash equivalents (4)	393.63
Pro Forma Net Debt (B = A - (3 + 4))	**3,779.39**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

4. Pro Forma Debt-Equity Ratio and Pro Forma Net Debt/EBITDA Ratio

The following table sets forth our Pro Forma Debt-Equity Ratio and Pro Forma Net Debt/EBITDA Ratio, including a reconciliation of each such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Debt-Equity Ratio is calculated as total borrowings divided by total equity. Total borrowings is calculated as the sum of (i) non-current borrowings, and (ii) current borrowings. Pro Forma Net Debt/EBITDA Ratio is calculated as Pro Forma Net Debt divided by Pro Forma EBITDA. Pro Forma Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances as at the end of the year.

(in ₹ million, except ratios)

Particulars	Year ended March 31, 2023
Non-current borrowings (1)	2,791.81
Current borrowings(2)	1,514.15
Total borrowings (A=(1)+(2))	**4,305.96**
Total equity (B)	**3,255.83**
Pro Forma Debt-Equity Ratio (C=A/B)	**1.32**
Profit for the year (D)	1,011.20
Debt/Profit for the year (A/D)	**4.26**
Cash and cash equivalents (3)	132.94
Bank balances other than cash and cash equivalents (4)	393.63
Pro Forma Net Debt (E=A-(3+4))	**3,779.39**
Pro Forma EBITDA (F)	**1,972.75**
Pro Forma Net Debt / EBITDA Ratio (G=E/F)	**1.92**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

5. Pro Forma Return on Equity

The following table sets forth our Pro Forma Return on Equity, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Return on Equity is calculated as profit for the year divided by total equity.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Total equity (B)	3,255.83
Pro Forma Return on Equity (C=A/B)	**31.06%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

6. Pro Forma PAT Margin

The following table sets forth our Pro Forma PAT Margin, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma PAT Margin is calculated as profit for the year divided by revenue from operations.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Revenue from operations (B)	11,185.96
Pro Forma PAT Margin (C=A/B)	**9.04%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

7. Pro Forma Capital Employed

The following table sets forth our Pro Forma Capital Employed for Fiscal 2023, on pro forma consolidated basis. Pro Forma Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(in ₹ million)

Particulars	Year ended March 31, 2023
Total assets (1)	10,187.16
Total liabilities (2)	6,931.33
Goodwill (3.1)	166.94
Other intangible assets (3.2)	9.56
Non-current borrowings (4)	2,791.81
Current borrowings (5)	1,514.15
Total borrowings (6)=(4)+(5)	**4,305.96**
Pro Forma Capital Employed ((7) = (1) – (2) – (3.1) – (3.2)+(6))	**7,385.29**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

8. Pro Forma Return on Capital Employed

The following table sets forth our Pro Forma Return on Capital Employed, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Return on Capital Employed is calculated as Pro Forma EBIT divided by Pro Forma Capital Employed. Pro Forma EBIT is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs. Pro Forma Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Add: Total tax expense (B)	398.83
Add: Finance costs (C)	365.59
Pro Forma EBIT (D=A+B+C)	**1,775.62**
Total assets (1)	10,187.16
Total liabilities (2)	6,931.33
Goodwill (3.1)	166.94
Other intangible assets (3.2)	9.56
Non-current borrowings (4)	2,791.81
Current borrowings (5)	1,514.15

Particulars	Year ended March 31, 2023
Total borrowings (6)=(4)+(5)	**4,305.96**
Pro Forma Capital Employed (E= (1) – (2) – (3.1) – (3.2) + (6)))	**7,385.29**
Pro Forma Return on Capital Employed (F=D/E)	**24.04%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

9. Pro Forma Fixed Asset Turnover Ratio

The following table sets forth our Pro Forma Fixed Asset Turnover Ratio, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Fixed Asset Turnover Ratio is calculated as revenue from operations divided by the sum of property, plant and equipment, other intangible assets and capital work in progress as at the end of the year.

(in ₹ million, except ratios)

Particulars	Year ended March 31, 2023
Property Plant and Equipment (A)	2,916.04
Other intangible assets (B)	9.56
Capital work in progress (C)	217.44
Revenue from operations (D)	11,185.96
Pro Forma Fixed Asset Turnover Ratio (E=D/(A+B+C))	**3.56**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

10. Pro Forma Net Worth

The following table sets forth our Pro Forma Net Worth, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Net Worth is calculated as the sum of equity share capital and other equity less capital reserves.

(in ₹ million)

Particulars	Year ended March 31, 2023
Equity share capital (A)	480.00
Other equity (B)	2,775.82
Capital reserve (C)	491.20
Pro Forma Net Worth (D=A+B-C)	**2,764.62**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

11. Pro Forma Return on Net Worth

The following table sets forth our Pro Forma Return on Net Worth, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Return on Net Worth is calculated as profit for the year divided by Pro Forma Net Worth as at the end of the year.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Pro Forma Net Worth (B)	2,764.62
Pro Forma Return on Net Worth (C=A/B)	**36.58%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

12. Pro Forma Net Asset Value per Equity Share

The following table sets forth our Pro Forma Net worth for Fiscal 2023, on a pro forma consolidated basis. Pro Forma Net Asset Value per Equity Share is calculated as Pro Forma Net Worth divided by number of equity shares outstanding as at the end of the year.

(in ₹ million, except stated otherwise)

Particulars	Year ended March 31, 2023
Equity share capital (A)	480.00
Other equity (B)	2,775.82
Capital reserve (C)	491.20
Pro Forma Net Worth (D=A+B-C)	**2,764.62**
Number of Equity shares outstanding as at the year end	48,000,000
Pro Forma Net Asset Value per Equity Share (in ₹)	**57.60**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for the Fiscals 2023, 2022 and 2021, read with the SEBI ICDR Regulations, and as reported in the Restated Consolidated Financial Information, see "*Restated Consolidated Financial Information – Note 40 – Related parties*" on page 85 of this Addendum.

OTHER KEY DEVELOPMENTS

Set forth hereunder are certain key developments following the filing of the Draft Red Herring Prospectus:

I. Updates to the section "*Risk Factors*" on page 33 of the Draft Red Herring Prospectus:

The following risk factors shall be added to the existing Risk Factors section of the Draft Red Herring Prospectus as set forth hereunder.

Internal Risks

Risks related to our Business

1. We have recently acquired Sharon, and do not yet know whether we will achieve the expected benefits from such acquisition, which could materially adversely affect our business, results of operation, cash flows and financial condition.

We acquired Sharon, a listed entity undergoing CIRP under the IBC. In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023. Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients as well as finished dosages. It also offers contract manufacturing services for formulations. It also offers contract manufacturing services for pharmaceutical products. Revenue from Sharon on a pro forma consolidated basis was ₹1,922.16 million in Fiscal 2023.For further information, see "*Acquisition of Sharon Bio Medicine Limited*" on page 18 of this Addendum.

Our ability to realize the anticipated benefits of the Sharon acquisition will depend, to a large extent, on our ability to integrate its business. The combination of two independent businesses is a complex, costly and time-consuming process. The overall integration of the businesses may result in material unanticipated problems, expenses, liabilities, competitive responses, loss of customers and other business relationships. As a result, we will be required to devote significant management attention and resources to integrate our business practices and operations with Sharon. The integration process may disrupt the businesses and, if implemented ineffectively, would restrict the realization of the full expected benefits. Our failure to meet the challenges involved in integrating Sharon and to realize the anticipated benefits of the transaction could cause an interruption of, or a loss of momentum in, the activities of the combined businesses and could adversely affect our business, results of operation, cash flows and financial condition.

The acquisition and integration of Sharon involve other risks, including:

- implementation or remediation of controls, practices, procedures and policies at Sharon, including the costs necessary to establish and maintain effective internal controls;
- use of available cash, new borrowings or borrowings under existing credit facilities to consummate the acquisition;
- lower than expected revenue from Sharon;
- integration of Sharon's accounting, human resources and other administrative systems, including management information, purchasing, accounting, finance, billing, payroll and benefits and regulatory compliance;
- difficulties in the assimilation and retention of employees;
- difficulties in the maintenance of relationships with customers and suppliers and other key relationships of Sharon's business;
- difficulties in coordinating the sales and marketing functions of Sharon with our existing business;
- ongoing obligations under agreements related to the acquisition; and
- infringement claims, violation of laws, commercial disputes, tax liabilities and other known and unknown liabilities; or
- inheritance of claims or liabilities including claims from suppliers, customers, business partners or other third parties and potential adverse effects on our operating results.

Accordingly, if we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following the acquisition of Sharon, the anticipated benefits and synergies from it may not be realized fully, or at all, or may take longer to realize than expected, and it could have a material adverse effect on our business, results of operations, cash flows and financial condition.

In addition, also see, "*We are required to transfer, obtain, renew or maintain statutory and regulatory permits, licenses and approvals connected with Sharon's business that became a wholly owned subsidiary of UML as of June 30, 2023, and any delay or inability in transferring, renewing or maintaining such permits, licenses and approvals could adversely affect on our business, results of operations and financial condition*" on page 130 of this Addendum.

2. We are required to transfer, obtain, renew or maintain statutory and regulatory permits, licenses and approvals connected with Sharon's business that became a wholly owned subsidiary of UML as of June 30, 2023, and any delay or inability in transferring, renewing or maintaining such permits, licenses and approvals could adversely affect on our business, results of operations and financial condition.

We acquired Sharon, a listed entity undergoing CIRP under the IBC. In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023. Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients as well as finished dosages. It also offers contract manufacturing services for formulations.

Sharon's operations are subject to extensive government regulation, and we are required to transfer, obtain, renew or maintain statutory and regulatory permits, licenses and approvals connected with Sharon's business under central, state and local government rules in the geographies in which Sharon operates and generally for carrying out Sharon's business and for Sharon's manufacturing facilities. Any inability to obtain or transfer or renew or maintain certain or all of these permits, licenses and approvals in the time frames prescribed under law or as may be required for the purpose of the business, or any failure to comply with applicable conditions or any claim in relation to breach of any such conditions could adversely affect Sharon's business, results of operations, cash flows and financial condition and consequently, our business, results of operations, cash flows and financial condition. We cannot assure you that the requisite statutory and regulatory permits, licenses and approvals will be transferred, obtained, renewed or maintained in a timely manner, or at all, and, if we fail to transfer, obtain, renew or maintain such statutory and regulatory permits, licenses and approvals, our business, results of operations and financial condition could be adversely affected.

II. Updates to the section "*Our Management*" on page 211 of the Draft Red Herring Prospectus:

While the Draft Red Herring Prospectus disclosed Late Mr. Rishi Gupta as the Chief Financial Officer, the Company has now appointed Mr. Gaurav Srivastava as its new Chief Financial Officer on August 12, 2023. Accordingly, all references to the Chief Financial Officer of the Company at all places in the Draft Red Herring Prospectus, shall hereinafter be understood to mean and refer to Mr. Gaurav Srivastava.

Further, the specific updates in connection with Mr. Srivastava's appointment including such as his profile, the changes in the Key Managerial Personnel and Senior Management in the last three years, the updated management organisation chart, among others, will be made in the Red Herring Prospectus to be filed with the RoC, SEBI and the Stock Exchanges.

III. Updates to the section "*Outstanding Litigation and Other Material Developments*" on page 412 of the Draft Red Herring Prospectus:

Except as stated below, there are no outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims for any direct or indirect tax liabilities; or (iv) other material proceedings (other than proceedings covered under (i) to (ii) above) which have been determined to be material pursuant to the Materiality Policy, involving our Subsidiary, Sharon. In terms of the Materiality Policy, the following shall be considered 'material' for the purposes of disclosure in this Addendum:

(i) Any pending litigation/arbitration involving Sharon, in which the aggregate monetary claim made by or against Sharon (individually or in the aggregate) in any such litigation / arbitration proceedings is equal to or exceeds, an amount which is lesser of: (i) 0.10 percent of the revenue

from operations of our Company, or (ii) 1.00 percent of our profit for the period / year, derived from the most recently completed fiscal year as per the Restated Consolidated Financial Information included in this Addendum. The revenue from operations of our Company for Fiscal 2023 is ₹9,263.80 million, and the profit for the year of our Company for Fiscal 2023 is ₹679.54 million, as per the Restated Consolidated Financial Information included in this Addendum. Accordingly, all litigation involving Sharon, in which the amount involved exceeds ₹6.80 million have been considered as material, if any;

(ii) Any pending litigation / arbitration proceedings involving Sharon wherein a monetary liability is not quantifiable, or which may not meet the threshold as specified in (i) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company, irrespective of the amount involved in such litigation; or

(iii) Any pending litigation / arbitration proceedings involving Sharon where the decision in one litigation is likely to affect the decision in similar litigation, even though the amount involved in an individual litigation may not exceed an amount which is lesser of: (i) 0.10% percent of the revenue from operations of our Company, or (ii) 1.00 percent of our profit for the period / year, derived from the most recently completed fiscal year as per the Restated Consolidated Financial Information included in this Addendum.

For the purposes of the above, pre-litigation notices received by Sharon from third parties (excluding those notices issued by statutory / regulatory / tax authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that Sharon is impleaded as a defendant in litigation before any judicial/quasi-judicial/arbitral forum. Further, FIRs initiated against Sharon, if any, shall be disclosed in the Offer Documents.

Unless stated to the contrary, the information provided below is as on the date of this Addendum.

Litigation proceedings involving Sharon

(a) *Criminal proceedings*

(i) Criminal proceedings by Sharon

1. Our Subsidiary, Sharon filed a complaint dated January 17, 2011 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through Savita Gowda against Saloni Jaiswal, in the Courts of Judicial Magistrate of First Class, C.B.D. Belapur, Navi Mumbai, Maharashtra alleging fraud and cheating on account of failure by the defendant to repay an amount of ₹1.00 million. The matter is currently pending.

(ii) Criminal proceedings against Sharon

Except as disclosed below, as on the date of this Addendum, there are no pending criminal proceedings initiated against our Subsidiary, Sharon:

1. Siemens Financial Services Private Limited ("**Siemens**") filed a complaint dated July 1, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated April 30, 2015 for a sum of ₹1.76 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

2. Siemens filed a complaint dated October 21, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our

Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated August 30, 2015 for a sum of ₹1.76 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

3. Siemens filed a complaint dated July 22, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated May 30, 2015 for a sum of ₹1.76 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

4. Siemens filed a complaint dated September 30, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated July 30, 2015 for a sum of ₹1.76 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

5. Siemens filed a complaint dated August 7, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that two cheques dated April 20, 2015 and May 20, 2015 for an aggregate sum of ₹2.68 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

6. Siemens filed a complaint dated August 7, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated June 20, 2015 for a sum of ₹1.34 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

7. Siemens initially filed a complaint dated May 20, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar,

against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 44th Court Andheri Court, Mumbai. Pursuant to the complaint, it was alleged that two cheques dated January 20, 2015 and March 20, 2015, for an aggregate sum of ₹2.67 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. However, the complaint was returned by the court pursuant to its order dated July 3, 2015 for lack of jurisdiction. Following receipt of this order, Siemens filed an application dated September 2, 2015 before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai requesting condonation of delay and permission to re-file the complaint before the appropriate court. Subsequently the complaint was transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

8. Siemens initially filed a complaint dated May 20, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 44th Court Andheri Court, Mumbai. Pursuant to the complaint, it was alleged that three cheques dated January 30, 2015, February 28, 2015 and March 30, 2015 for an aggregate sum of ₹5.26 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. However, the complaint was returned by the court pursuant to its order dated July 3, 2015 for lack of jurisdiction. Following receipt of this order, Siemens filed an application dated September 2, 2015 before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai requesting condonation of delay and permission to re-file the complaint before the appropriate court. Subsequently the complaint was transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

9. Siemens filed a complaint dated October 1, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated August 20, 2015 for a sum of ₹1.34 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

10. Siemens filed a complaint dated June 24, 2016 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated April 30, 2016 for a sum of ₹1.77 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

11. Siemens filed a complaint dated August 4, 2016 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that two cheques dated

May 20, 2016 and May 30, 2016 for an aggregate sum of ₹3.13 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

12. Siemens filed a complaint dated September 20, 2016 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated July 20, 2016 for a sum of ₹1.35 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

13. Siemens filed a complaint dated January 21, 2017 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that two cheques dated October 30, 2016 and November 30, 2016 for an aggregate sum of ₹3.58 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

14. Siemens filed a complaint dated January 21, 2017 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that three cheques dated October 20, 2016, November 20, 2016, and December 20, 2016 for an aggregate sum of ₹4.09 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

15. Siemens filed a complaint dated January 21, 2017 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated September 30, 2016 for a sum of ₹1.79 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

16. Arti Drugs Limited filed a complaint dated September 11, 2017 under Sections 138 and 141 of the Negotiable Instruments Act, 1881 against our Subsidiary, Sharon, and certain other persons before the Additional Metropolitan Magistrate, Kurla, Mumbai. Pursuant to the complaint, it was alleged that five cheques dated April 24, 2017, April 25, 2017, April 26, 2017, April 27, 2017 and April 28,

2017 for an aggregate sum of ₹14.28 million, issued by Sharon in favour of Arti Drugs Limited, were dishonoured due to account being closed. The matter is currently pending.

(b) ***Actions by statutory or regulatory authorities***

As on the date of this Addendum, there are no pending actions initiated by statutory or regulatory authorities against Sharon.

(c) ***Claims related to direct and indirect taxes***

Except as disclosed below, as on the date of this Addendum, there are no pending claims related to direct and indirect taxes involving Sharon.

S. No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Goods and Services Tax*	14	57.38
2	Service Tax*	1	4.19
3	Income Tax*	17	634.77
4	Sales Tax*	9	1,382.12
Total		**41**	**2,078.47**

* *All these litigation are against Sharon*

In addition, set forth hereunder is a description of tax matters which involve an amount exceeding ₹6.80 million, as per the Materiality Policy.

1. Our Subsidiary, Sharon received a notice on February 20, 2023 by the Deputy Commissioner of State Tax, Vikasnagar, Dehradun, Uttarakhand, in relation to erroneous IGST refunds availed under IGST route provided under the Central Goods and Services Tax Rules, 2017. The notice alleges that Sharon has received refunds amounting to ₹326.50 million between October 9, 2018 and March, 31, 2022, in violation of Rule 96(10) of the Central Goods and Services Tax Rules, 2017, and that Sharon was required to deposit the IGST amount along with applicable interest as per Section 50 of the Central Goods and Services Act, 2017, by February 28, 2023. The IGST amount payable was determined to be ₹14.16 million along with applicable interest. While the IGST amount and applicable interest was paid by Sharon on June 17, 2023, a response from the Deputy Commissioner of State Tax, Vikasnagar, Dehradun, Uttarakhand regarding the receipt of the amount and closure of the matter is currently awaited by Sharon.

2. Our Subsidiary, Sharon was issued five show cause notices under Section 73 of the Integrated Goods and Services Tax Act, 2017, each dated April 28, 2022, by the Office of the Deputy Commissioner, Vikasnagar, Dehradun, Uttarakhand, alleging erroneous refund of tax. The show cause notices alleged that Sharon had a tax liability of (i) ₹1.74 million for the tax period of November 2017 to December 2017, (ii) ₹4.19 million for the tax period of January 2018 to March 2018, (iii) ₹3.92 million for the tax period of April 2018 to June 2018, (iv) ₹8.14 million for the tax period of July 2018 to March 2019; and (v) ₹ 3.51 million for the tax period of April 2019 to January 2020, each along with applicable interest and penalty. The matters are currently pending.

3. The Assistant Commissioner of Income Tax, Circle 15(3)(1), Mumbai passed three orders each dated August 27, 2022, in relation to reassessment of income escaping assessment under Section 148A(d) of the Income-tax Act, 1961, ("**Orders**") against our Subsidiary, Sharon. The Orders alleged that income amounting to ₹104.60 million, ₹258.00 million and ₹258.00 million escaped assessment for assessment year 2013-2014, assessment year 2014-2015, and assessment year 2015-2016, respectively.

   In addition, the Orders referred to a criminal complaint lodged by Union Bank of India ("**Bank**") against our Subsidiary Sharon, and the then directors / guarantors of Sharon before the SP, Banking Security & Fraud Cell, CBI, Bandra (East), Mumbai 400 050 pursuant to a FIR dated November 2, 2019 ("**CBI Complaint**") alleging circular movement of funds and that there had been inflation of sales and purchases through fictitious trading transactions. The CBI Complaint alleged that the then promoters / directors / guarantors of Sharon had committed criminal conspiracy and cheating, amongst others, and violated Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 ("**PC Act**"), and Section 120-B read with Sections 409, 420, 467, 468, and

471 of the Indian Penal Code, 1860 ("**IPC**"). In relation to these offences, it was alleged in the CBI Complaint that the then promoters / directors / guarantors of Sharon committed fraud against the Bank by availing and misusing sanctioned funds by manipulating the financials and inflating the sales and receivables and thereby diverted the funds through related parties, and allegedly caused a loss of ₹1,299.60 million to the Bank.

Sharon subsequently filed three writ petitions before the High Court of Judicature at Bombay, praying, among others, to quash and set aside the Orders. The matter is currently pending.

4. Various assessment orders were passed against our Subsidiary, Sharon, in relation to matters involving Sharon's liability to pay VAT or CST, as applicable, aggregating to an amount of ₹1,382.12 million. Set forth hereunder are the details of such proceedings:

(a) For the period 2005-2006, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated November 13, 2019, directing Sharon to pay an amount of ₹58.18 million as VAT along with interest. A notice of demand dated November 13, 2019, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(b) For the period 2009-2010, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated June 26, 2019, directing Sharon to pay an amount of ₹4.64 million as VAT along with applicable penalty and interest. A notice of demand was also issued by the Deputy Commissioner of Sales Tax to Sharon in this regard to pay the unpaid tax liability along with interest and penalty.

(c) For the period 2009-2010, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated June 26, 2019, directing Sharon to pay an amount of ₹4.98 million as CST along with penalty and interest. A notice dated June 26, 2019, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(d) For the period 2010-2011, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated June 26, 2019, directing Sharon to pay an amount of ₹0.78 million as VAT along with penalty and interest. A notice of demand was also issued by the Deputy Commissioner of Sales Tax to Sharon in this regard to pay the unpaid tax liability along with interest and penalty.

(e) For the period 2010-2011, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated June 26, 2019, directing Sharon to pay an amount of ₹14.64 million as CST along with penalty and interest. A demand notice dated June 26, 2019, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(f) For the assessment period 2011-2012, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated April 6, 2017, directing Sharon to pay an amount of ₹14.98 million as VAT along with penalty and interest. A demand notice dated April 6, 2017, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(g) For the assessment period 2011-2012, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated April 6, 2017, directing Sharon to pay an amount of ₹9.77 million as CST along with penalty and interest. A demand notice dated April 6, 2017, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(h) For the assessment period 2013-2014, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated March 22, 2018, directing Sharon to pay an amount of ₹1,069.70 million as VAT. A demand notice dated March 22, 2018, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(i) For the assessment period 2013-2014, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated March 22, 2018, directing Sharon to pay an amount of ₹46.49 million as CST along with interest. A demand notice dated March 22, 2018, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(j) For the assessment period 2015-2016, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated March 16, 2020, directing Sharon to pay an amount of ₹38.79 million as CST along with interest. A demand notice dated March 16, 2020, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(k) For the assessment period between April 1, 2015 to November 3, 2015, the Assistant Commissioner of Sales Tax issued an order dated December 29, 2017, directing Sharon to pay an amount of ₹111.77 million as VAT along with interest. A demand notice dated December 29, 2017, was also issued by the Assistant Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(l) For the period 2016-2017, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated March 30, 2021, directing Sharon to pay an amount of ₹7.33 million as CST along with interest. A demand notice dated March 30, 2021, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(d) ***Other pending proceedings***

Except as disclosed below, as on the date of this Addendum, there are no other proceedings involving our Subsidiaries, which have been considered material by our Company in accordance with the Materiality Policy:

1. Our Company submitted a resolution plan dated August 22, 2022 (as modified on October 6, 2022) ("**Resolution Plan**") in relation to the CIRP involving Sharon. The Resolution Plan was approved by the committee of creditors on November 16, 2022 by a majority of 79.28% and subsequently an application for approval of the Resolution Plan was filed by the resolution professional with the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"). The Resolution Plan was approved by the NCLT pursuant to its order dated May 17, 2023 and implementation of the Resolution Plan commenced subsequently. In accordance with the terms of the Resolution Plan approved by the NCLT, UML infused ₹1,954.00 million into Sharon on June 26, 2023 and closure of implementation pursuant to the Resolution Plan was achieved on June 30, 2023. Following such infusion of funds by UML, Sharon became a wholly owned subsidiary of UML. Further, as per the resolution plan, following the acquisition of Sharon by UML, Sharon would merge into UML. However, given that the order dated May 17, 2023 did not record the fact of such merger, the monitoring committee of Sharon (as constituted pursuant to the Resolution Plan) filed an application dated June 16, 2023 before the NCLT requesting for a rectification of such order dated May 17, 2023 and clarification therein to specifically mention the fact of the proposed merger of Sharon into UML. The application dated June 16, 2023 was reserved for order on June 20, 2023 and the final copy of the order is awaited.

   However, Peter Beck und Partner Vermoegensverwaltung GMBH (the "**Appellant**") filed an appeal dated June 30, 2023 before the NCLAT against the order dated May 17, 2023 with Sharon, the resolution professional, Ernst & Young LLP who were the advisors to the monitoring committee of Sharon, our Company, committee of creditors and UML being named as the respondents (together, the "**Respondents**", and such appeal, the "**Appeal**"). The Appeal was filed alleging violation of the provisions of the IBC in that the approved resolution plan allegedly discriminates within the creditors of the same class of unsecured creditors including the Appellant, who was an unsecured dissenting financial creditor of Sharon, as payment was being made to the assenting creditors but not to the Appellant.

   Prior to the approval of the Resolution Plan, the Appellant had submitted a resolution plan which was approved by the NCLT pursuant to its order dated February 28, 2018 ("**Previous Resolution**

Plan"). However, on account of the inability of the Appellant to furnish the bank guarantee as required, certain applications were filed before the NCLT by certain members of the committee of creditors, seeking appropriate reliefs on account of delay and non-implementation of the Previous Resolution Plan. The NCLT pursuant to its order dated February 2, 2021, dismissed the applications, following which an appeal was filed before the NCLAT. The NCLAT pursuant to its order dated January 5, 2022, directed the Appellant to furnish the required bank guarantee and to make the payment within a period of two months. Subsequently, an appeal was filed before the Hon'ble Supreme Court of India and this appeal was also dismissed on February 28, 2022 with liberty being given to initiate fresh CIRP.

Thereafter, fresh CIRP was initiated and consequently, the Resolution Plan was approved by the committee of creditors by a majority of 79.28%. The trustee of the Appellant, also being a member of the committee of creditors with a voting share of 20.02%, abstained from voting. The Appellant being a member of committee of creditors received regular communications throughout the process of CIRP including the details of the payment to be made to various creditors along with a statement of computation of the financial creditor-wise distribution of funds and details of remittances proposed to be made. However, after the completion of implementation, an appeal dated June 30, 2023 was instituted given that no payment was proposed to be made to the Appellant and accordingly, the Appellant has prayed that the order dated May 17, 2023 be set aside, among others. However, pursuant to its order dated August 14, 2023, NCLAT has dismissed the appeal dated June 30, 2023.

IV. Updates to the section "*Government and Other Approvals*" on page 421 of the Draft Red Herring Prospectus:

Pursuant to the filing of the Draft Red Herring Prospectus, our Company acquired Sharon, a listed entity undergoing the CIRP under the IBC before the NCLT. In accordance with the terms of the resolution plan approved by the NCLT, our Subsidiary UML infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023. The implementation of the plan was completed on June 30, 2023, the closing date, as per the approved resolution plan and subsequently, the control and sole ownership over Sharon was established. For further information, see "*Our Business - Acquisition of Sharon Bio Medicine Limited*" on page 18 of this Addendum.

Further, as per the resolution plan, following the acquisition of Sharon by UML, Sharon would merge into UML. However, given that the order dated May 17, 2023 did not record the fact of such merger, the monitoring committee of Sharon filed an application dated June 16, 2023 before the NCLT requesting for a rectification of such order dated May 17, 2023 and clarification therein to specifically mention the fact of the proposed merger of Sharon into UML. The application dated June 16, 2023 was reserved for order on June 20, 2023 and the final copy of the order is awaited.

In the event the NCLT were to approve the merger, Sharon shall file the necessary applications with relevant statutory and regulatory authorities for reflecting the change of name of Sharon in the government approvals and licenses held in SBML's name, pursuant to such merger into UML. The section "*Government and Other Approvals*" on page 559 of the Draft Red Herring Prospectus shall stand updated to the extent the details of such approvals and licenses will be updated in the Red Herring Prospectus to be filed with the RoC, SEBI and the Stock Exchanges.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mr. Manoj Kumar Lohariwala
Chairman and Whole-time Director

Place: Panchkula

Date: September 12, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mr. Vinay Kumar Lohariwala
Managing Director

Place: Panchkula

Date: September 12, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mr. Jayant Vasudeo Rao
Whole-time Director

Place: Baddi

Date: September 12, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mr. Archit Aggarwal
Non-Executive Director

Place: Baddi

Date: September 12, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mr. Sudhir Kumar Bassi
Non-Executive Independent Director

Place: Mumbai

Date: September 12, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mr. Shirish Gundopant Belapure
Non-Executive Independent Director

Place: Ahmedabad

Date: September 12, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ms. Priyanka Dixit Sibal
Non-Executive Independent Director

Place: Gurugram

Date: September 12, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mr. Mahender Korthiwada
Non-Executive Independent Director

Place: New Jersey

Date: September 12, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Addendum is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines/regulations issued thereunder, as the case may be. I further certify that all statements made in this Addendum are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Mr. Gaurav Srivastava
Chief Financial Officer

Place: Panchkula

Date: September 12, 2023

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made or confirmed by them in this Addendum about or in relation to themself and their portion of the Offered Shares, are true and correct. The undersigned assumes no responsibility, for any other statements, disclosures and undertakings including, any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Addendum.

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Mr. Manoj Kumar Lohariwala

Place: Panchkula

Date: September 12, 2023

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made or confirmed by them in this Addendum about or in relation to themself and their portion of the Offered Shares, are true and correct. The undersigned assumes no responsibility, for any other statements, disclosures and undertakings including, any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Addendum.

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Mr. Vinay Kumar Lohariwala

Place: Panchkula

Date: September 12, 2023

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made or confirmed by them in this Addendum about or in relation to themself and their portion of the Offered Shares, are true and correct. The undersigned assumes no responsibility, for any other statements, disclosures and undertakings including, any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Addendum.

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Mr. Gian Parkash Aggarwal

Place: New Delhi

Date: September 12, 2023