Capability Driven, Pioneering Growth, Building Value

Annual Report
2023-24

Across the pages

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Or Simply Scan

Investor Information

Market Cap as on 31 March 2024	₹ 2,565 crores
CIN	L24246MH2005PLC150371
BSE Code	544067
NSE Symbol	INNOVACAP
Annual General Meeting (AGM) Date	18 September 2024
Annual General Meeting Mode	Video Conferencing

Disclaimer: This document contains statements about expected future events and the standalone and consolidated financial statements of Innova Captab Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Corporate Information

Board of Directors

Mr. Manoj Kumar Lohariwala
Chairman & Whole Time Director

Mr. Vinay Kumar Lohariwala
Managing Director

Mr. Jayant Vasudeo Rao
Whole Time Director

Mr. Archit Aggarwal
Non-Executive Non-Independent Director

Mr. Sudhir Kumar Bassi
Non-Executive Independent Director

Ms. Priyanka Dixit Sibal
Non-Executive Independent Director

Mr. Mahendar Korthiwada
Non-Executive Independent Director

Mr. Shirish Gundopant Belapure
Non-Executive Independent Director

Key Managerial Personnel

Mr. Lokesh Bhasin
Chief Financial Officer

Mr. Mukeshkumar Siyaram Singh
Deputy Chief Financial Officer

Ms. Neeharika Shukla
Company Secretary & Compliance Officer

Statutory Auditors

B S R & Co. LLP
Chartered Accountants

List of Bankers

State Bank of India
HDFC Bank
Yes Bank

Registered Office

601, Proxima, Plot No 19, Sector 30 A,
Vashi, Navi Mumbai, Thane, Maharashtra 400705, India

RTA details

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

Capability Driven, Pioneering Growth, Building Value

At Innova Captab, we stand at the forefront of the **pharmaceutical industry, driven by excellence and innovation.** Our theme for this year, **'Capability Driven, Pioneering Growth, Building Value,'** encapsulates our strategic vision and unwavering commitment to our goals. Each pillar of this theme signifies a cornerstone of our success and our dedication to making a lasting impact. At Innova, our journey begins with our unparalleled capabilities. Our robust infrastructure spans state-of-the-art manufacturing units, comprehensive research and development capabilities, and a highly skilled workforce. This solid foundation not only allows us to meet the demands of today but also anticipate and innovate for the needs of tomorrow. From comprehensive CDMO products and services to a diverse portfolio of domestic and international branded generics, **our capabilities drive our success** and enable us to deliver exceptional value to our stakeholders.

For us at Innova Captab, growth is not merely a goal; it is a testament to our pioneering spirit. We are not content with following the beaten path. We believe in making new trails. Our strategic expansions, such as the acquisition of Sharon Bio Medicine Ltd and upcoming greenfield plant in Jammu, exemplify our commitment to growth and innovation. This growth is intricately linked to our ability to build value. Every initiative we undertake is aligned with our mission to create enduring value for our customers, partners, employees, and shareholders. We understand that true value encompasses trust, reliability, and positive societal impact. By fostering strong relationships and prioritizing the well-being of our communities, we are building a legacy of value that will stand the test of time.

Key Consolidated Financial Parameters

₹ 1,094 crores
Total Income

₹ 167 crores
EBIDTA

₹ 94 crores
PAT

15.4%
EBIDTA Margin

8.7%
PAT Margin

14.3%
ROCE

About Innova Captab Limited

Pioneering Growth, Excellence While Building Value

Incorporated in 2005, Innova Captab Limited ('Innova Captab,' 'We,' 'The Company') has grown into a premier integrated pharmaceutical company in India, encompassing the presence across the pharmaceutical value chain. Over the past 19 years, we have expanded from modest beginnings to become a trusted partner for 15 Indian pharma companies, along with multiple other customers.

We demonstrate our deep commitment to quality through strict adherence to global standards, including WHO-GMP, EU-GMP, and other key certifications. With four state-of-the-art manufacturing facilities and one greenfield manufacturing facility underway, we uphold and adhere the highest protocol of quality of production while ensuring better efficiency throughout our supply chain.

Our extensive reach and high client satisfaction are evident in our service to 190+ CDMO customers in FY'24. A diverse portfolio of over 600 generic products is marketed through a robust network of approximately 5,000 distributors and 150,000 retail pharmacies in India in our Domestic Branded Generics business. Additionally, our international presence is expanding rapidly, with exports to 25 countries. Notably, the recent acquisition of Sharon Bio-Medicine Limited has strengthened our capabilities by adding the API and formulation line, further enhancing the Company's product portfolio.

Our product portfolio spans across both acute and chronic therapeutic areas

Some key therapeutic areas are Cephalosporins, Proton Pump Inhibitors, Anticholinergic & heparin NSAIDs, Analgesics & Antipyretic, Anticold & Antiallergic, Antiemetic, Antidiabetic, Antispasmodic, Antifibrinolytic, Cardiovascular, Antioxidant & Vitamins, Antihyperuricemia & Antigout, Fluroquinolone & Macrolide, Nootropics & Eurotronic/ Neurotrophic, Antiulcerative, Antimalarial Anxiolytic, Anticonvulsant & Antipsychotic, Bladder & Prostate Disorders, Antifungal, Anthelmintic & Antiviral, Anticholinergic, Anti-asthmatic & Bronchodilator and Erectile Dysfunction.

4
Manufacturing Units
2 Baddi | 1 Dehradun | 1 Taloja

25
Presence across multiple Countries for International Branded Generics

Third Largest
Finished Tablet and Capsule Manufacturing Capacity in India[1]

[1]CRISIL Report, October 2023

600+ Products
for Domestic Branded Generics

1.5 lakhs+
Touchpoints for Domestic Branded Generics

190+
CDMO Customers

New Greenfield Multipurpose Plant
in Jammu

Pioneering Responsible Business Practices

As a responsible corporate entity, we strive to meet Environmental, Social, and Governance (ESG) compliance requirements. Our commitment to these principles is reflected in a range of initiatives, such as preventive healthcare and sanitation, advancing education, supporting animal welfare, and uplifting socially and economically backward groups. We uphold stringent standards through our Code of Conduct, Whistle Blower Policy, and comprehensive Quality Policy, which includes a detailed Quality Control Manual. Our dedication to environmental stewardship is outlined in our Environment Health & Safety (EHS) Policy and EHS Manual. Furthermore, our Risk Management Policy ensures proactive identification and mitigation of potential risks. We are also committed to giving back to the community through our Corporate Social Responsibility (CSR) Policy, demonstrating our commitment to sustainability, human rights, and the well-being of our employees.

Mission

At Innova Captab, our mission is to pioneer breakthroughs in pharmaceutical research and development, and manufacture high-quality, affordable medicines to communities worldwide.

Vision

To be a global leader in pharmaceutical innovation, driven by a commitment to quality, accessibility and sustainability, while making a significant impact on global healthcare.

Business Areas

- Contract Development and Manufacturing (CDMO)
- Domestic Branded Generics
- International Branded Generics
- Sharon Bio-Medicine Limited (Sharon)

Our Journey of Evolution

Building Value in Every Step Towards Growth

2006

Foundation and Initial Establishment

Innova Captab began its journey in 2006 with the establishment of the Company's first manufacturing plant in Baddi, Himachal Pradesh.

2010

Establishment of Cephalosporin plant

The Company commenced operations at the brand new Baddi plant by establishing the Cephalosporin block *C Block*, marking a crucial expansion in the Company's manufacturing capabilities.

2013

International GMP Certification

This year marked a significant achievement in quality standards as we received the Certificate of Good Manufacturing Practices (GMP) for cephalosporin products from the Ministry of Medical Services, Republic of Kenya.

2015

Establishment of Marketing Arm

The Company incorporated Univentis Medicare Limited to oversee marketing operations, further strengthening our market presence and operational capabilities.

2017

Establishment of G Block

Commenced operations in newly established G Block in Baddi plant.

2021

Further Expansion

The Company further expanded the G block to achieve its current capacity levels.

2022

Strategic Expansion

In 2022, the Company commenced construction to establish an industrial plant in Jammu and Kashmir and to build an R&D center in Panchkula, Haryana.

2023

Acquisition of Sharon

The significant development in 2023 was the acquisition of Sharon, through the Corporate Insolvency Resolution Process (CIRP) process.

Initial Public Offer (IPO)

A major corporate milestone was achieved on 29 December, 2023 when the Company successfully got listed on stock exchanges.

Our Business Areas

Pioneering Value-Based Solutions for Global Health

Innova Captab stands at the forefront of the pharmaceutical industry with an extensive and diverse product portfolio that addresses a wide array of therapeutic needs. Our commitment to innovation and excellence has resulted in a range of high-quality medications that cater to various medical conditions, ensuring better health outcomes for patients worldwide. Our product line ranges from prescription drugs to essential over-the-counter treatments, all developed to the highest standards of efficacy, quality and safety. This firm dedication towards expanding our product offerings underscores the Company's mission to improve global healthcare and enhance the quality of life for millions.

CDMO Services and Products

Our CDMO services and products encompass large-scale manufacturing of generic products, delivering customized and effective solutions to our customers. We source APIs and excipients majorly from multiple domestic suppliers to ensure high-quality materials along with least disturbances in supply chain caused by global events for our manufacturing process. After production, we focus on packaging, distribution, and marketing to ensure our products reach the market efficiently.

We offer multiple dosage forms, including oral solids, oral liquids, dry syrups, and dry powder injectables. We also specialize in complex delivery forms, such as modified and sustained-release tablets and capsules. By incorporating cutting-edge technologies like nanotechnology.

Typically, our CDMO agreements are long term and these agreements detail the quality, quantity, and specifications of the products, ensuring they meet customer requirements. We are responsible for procuring raw material and packaging materials according to customer specifications, with pricing and supply terms mutually agreed upon in the purchase orders.

190+
Customers

2,900+
Products

58%
Share of Revenue

Domestic Branded Generics

Our branded generics business focuses on distributing and marketing generic formulation products in India. We established Univentis Medicare Limited (UML) as our marketing and distribution arm to meet the market's need for affordable and high-quality generic medicines.

600+
Products

5,000
Distributors

1.5 Lakhs+
Pharmacies

18%
Share of Revenue

International Branded Generics

Our international branded generic products business has focused on exports to emerging and semi-regulated international markets, while also expanding into regulated markets such as the UK and Canada.

25
Countries We Export To

11%
Share of Revenue

Sharon Bio-Medicine Limited

The recent acquisition of Sharon Bio-Medicine Limited marks a strategic milestone in the Company's expansion journey. The acquisition of Sharon enables us to forge long-term synergies, expanding our product portfolio in formulations and our foray in API manufacturing. With Sharon's robust manufacturing capabilities and diverse portfolio of formulations, APIs and intermediates, Innova is poised to significantly enhance its presence and competitiveness in key therapeutic areas such as cardiovascular, antifungal, antidiabetic, muscle relaxant, and antipsychotic medications.

By integrating Sharon's API products, including Eperisone Hydrochloride, Trimetazidine Hydrochloride, Miconazole Nitrate, Ketoconazole, and Nifedipine, into Innova's existing offerings, the Company aims to broaden its product portfolio and strengthen its foothold in the pharmaceutical market.

Formulation & API
Key Focus Area

13%
Share of Revenue

Product Portfolio

Manufacturing Capabilities

Driving Growth Through Our Manufacturing Excellence

At Innova Captab, we stand at the forefront of pharmaceutical manufacturing, leveraging state-of-the-art technology and stringent quality control measures to deliver high-quality products. Our manufacturing facilities are equipped with advanced machinery, including rapid mixer granulators, fluidized bed processors, blenders, compression machines, auto-coaters, automatic capsule filling machines, liquid manufacturing tanks, and fully automatic liquid sealing and filling machines, among others. This ensures efficient and precise production of a broad range of pharmaceutical formulations.

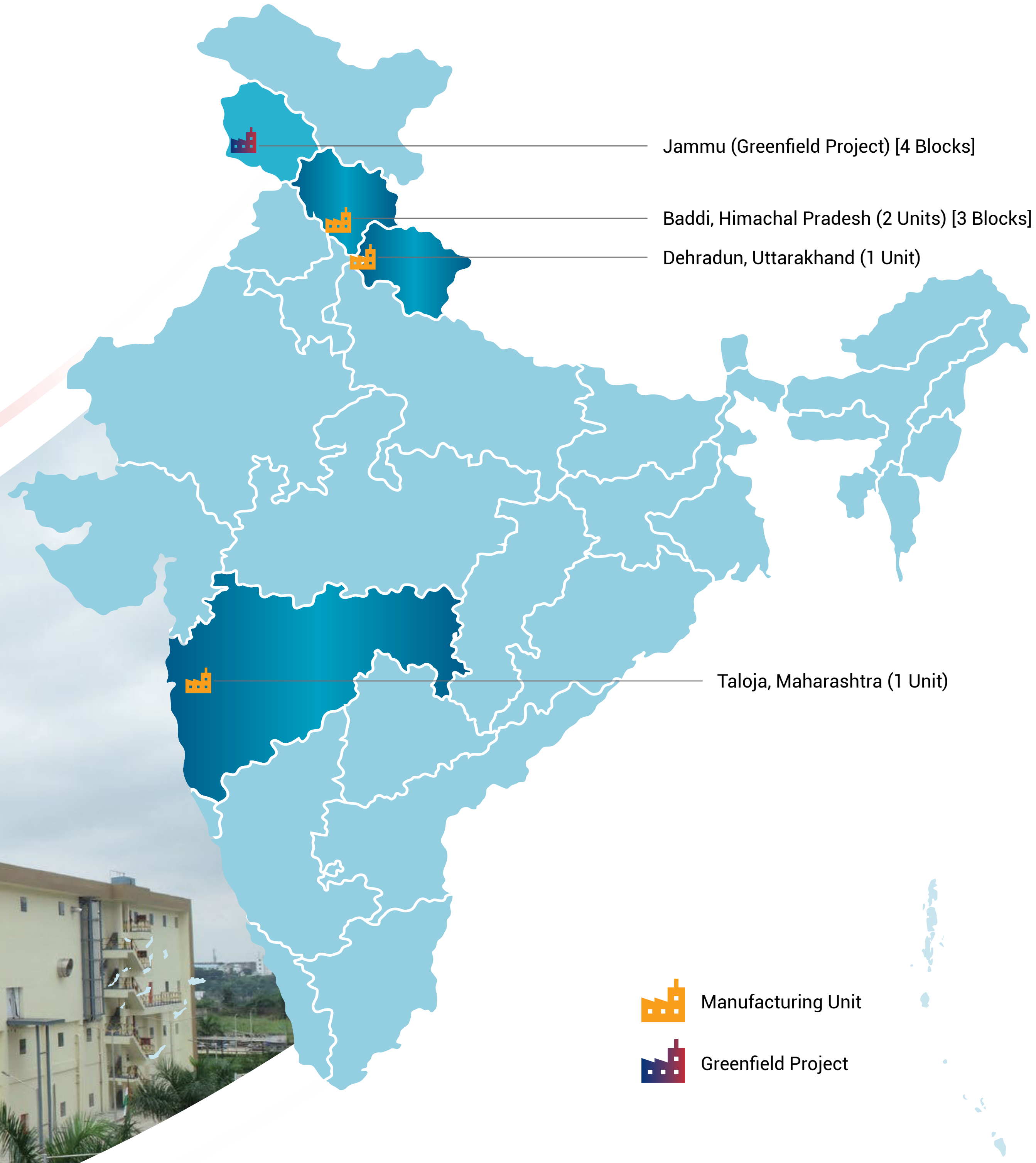
Our facilities are ISO 9001:2015 certified for quality management systems. Additionally, we hold GMP certifications from the Health and Family Welfare Department of Himachal Pradesh, in conformity with the format recommended by the WHO.

Ranked Third

Among CDMO Players In Terms of Tablet and Capsule Manufacturing Capacity in India[1]

[1] *CRISIL Research October 2023*

Our Facilities



Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. Our Company or any of our Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. Our Company does not warrant or represent any kind of connection with its accuracy or completeness.

Baddi, Himachal Pradesh (2 Units)

Utilization[1] (in %)

Tablets	Capsules	Ointments
44	55	60
8,192 Million Capacity	2,472 Million Capacity	23 Million Capacity

Utilization[1] (in %)

Dry Powder Injections	Dry Syrups	Liquid Orals
73	54	88
60 Million Capacity	54 Million Capacity	71 Million Capacity

Dehradun, Uttarakhand (1 Unit)

Utilization[1] (in %)

51

2,012 Million

Tablets and Capsules

Taloja, Maharashtra (1 Unit)

Utilization[1] (in %)

62

313 Metric Ton

APIs

[1] *Capacity Utilization for FY'24*

Greenfield Project in Jammu

We are set to enhance our production capacity with the construction of a new manufacturing unit in Jammu. This facility will enhance our manufacturing capabilities in the category of Cephalosporin, Penicillin, Penum & BFS to manufacture a wide range of oral solid dosages, dry powder injectables, dry syrup, large volume parenteral, small volume parenteral and respiratory respule products.

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 goods and service tax incentive, capital interest subvention and other incentives.

₹ 460 crores

Planned Capex

Our Strengths

Building On Our Competitive Strengths and Capabilities

Over the years, Innova Captab has maintained a unique and reliable position in the pharmaceutical industry through our unwavering commitment to excellence, innovation, and quality. Our continued success is underpinned by our key competitive strengths that form the backbone of our operations. These set the stage for continued growth and excellence in the pharmaceutical industry.

Diverse Product Portfolio

Our extensive and diverse product portfolio is a testament to our ability to meet a wide range of healthcare needs and preferences. We provide a wide range of pharmaceutical products covering various therapeutic areas. This enables us to cater to a global audience and address both common and complex medical conditions. Our portfolio includes innovative drug formulations, generics, and specialized treatments, each developed with a focus on efficacy, safety, and patient outcomes. By continually expanding and evolving our product range, we not only respond to current market demands but also anticipate future healthcare trends. This ensures that our offerings remain relevant and valuable in an ever-changing landscape.

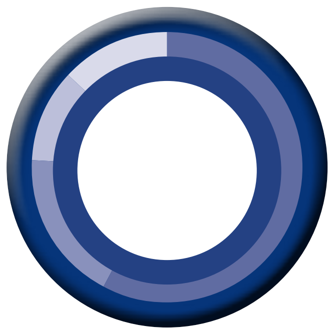
2,900+
CDMO Products

190+
CDMO Customers

600+
products for Domestic branded generic

1.5 lakh+
touchpoints for Domestic branded generics

Diversified Revenue Stream (in %)



58 CDMO Services and Products
18 Domestic Branded Generics
11 International Branded Generics
13 Sharon Bio Medicine

Customer-Centric Approach

At the heart of our success is our unshakable dedication to our customer-centric approach. We prioritize understanding and anticipating the needs of our customers. This approach enables us to develop and deliver pharmaceutical solutions that are not only effective but also tailored to specific market requirements and preferences. By placing our customers at the center of our operations, we not only enhance their experience but also drive the ongoing success and growth of the Company in the competitive pharmaceutical landscape.

Serving **14**
Out of the 15 Top Pharmaceutical Companies

More than **80%**
Of CDMO Revenue Driven from a client base associated with us for more than 5 Years

Advanced Manufacturing Capabilities

Our advanced manufacturing capabilities are fundamental to our industry leadership and competitive edge. We operate state-of-the-art facilities that are equipped with the latest technology, enabling us to achieve unparalleled precision, efficiency, and scalability in our production processes. By leveraging these advanced manufacturing capabilities, we not only ensure the production of superior pharmaceutical products but also reinforce our commitment to innovation, quality, and operational excellence.

Second Highest
Fixed Asset Turnover Ratio and ROCE among the CDMO Formulation Players

[1]*CRISIL Report, October 2023*

How Automation Helped Us in Ensuring Efficiency

- **Automated contained material handling system:** Enhances quality and increases yield through streamlined processes.
- **Integrated auto cartoning and auto collect and shrink machines:** Optimizes efficiency in the packaging process.
- **Electronic camera inspection system:** Employed where necessary to detect and eliminate defects.
- **Fully automated water management system:** Includes systems for purified water and water for injection, ensuring high standards of water quality.

Robust Research and Development

At Innova Captab, we boast a dedicated R&D laboratory and pilot equipment located in Baddi, Himachal Pradesh, recognized by the DSIR for its in-house R&D work. This state-of-the-art facility is equipped with a comprehensive suite of necessary tools for developing solid oral and liquid dosage forms, including RMG/FBP, compression machines, and auto coaters. Additionally, the analytical lab is furnished with advanced instruments such as HPLC, UV/dissolution apparatuses, Karl Fischer moisture analyzers, sonicators, disintegration testers, thermal stability units, and fume hoods, ensuring rigorous quality control and innovative product development. To further expand our R&D capabilities, we are planning to establish a new center in Panchkula, Haryana.

35+
Scientists and Engineers

Dedicated
R&D Laboratory in Baddi, Himachal Pradesh

Planning New Centre
In Panchkula, Haryana

Experienced Promoters and Leadership Team

At Innova Captab, we are led by a qualified and experienced management team with the expertise and vision to drive our business forward. Our promoter and co-founder, Mr. Manoj Kumar Lohariwala, serves as our Chairman and Whole-Time Director, bringing approximately 27 years of industry experience in pharmaceutical manufacturing and marketing. Our Managing Director and co-founder, Mr. Vinay Kumar Lohariwala, has around 22 years of experience in the same field.

Our senior management team is equally experienced, with many members having worked in multinational companies along with distinguished academic credentials. We believe that the combined knowledge and experience of our promoters and senior management, along with our dedicated personnel, provides us with a significant competitive advantage. This strong leadership team is poised to expand our product offerings, grow our existing markets, and enable us to enter new geographic regions.

Message from the Chairman

Building A Solid Foundation

With a solid foundation and a clear vision for the future, we are poised for continued growth and success.

Dear Shareholders,

I am pleased to present the first Annual Report of Innova Captab Limited following our successful IPO in December 2023, which marks a significant milestone for our Company in FY '24.

We are pleased to announce that the utilization of our IPO proceeds is progressing as planned, in line with the targets outlined in our prospectus.

The Big Picture

I am pleased to share positive developments in the key sectors shaping our market landscape, particularly in the Indian pharmaceutical industry, which ranks third globally by volume as of FY '23 with industry's valuation standing between ₹ 3.6-3.8 trillion, which include both bulk drugs and formulation exports.

The Indian pharmaceutical industry is divided into two main categories: formulations and bulk drugs. Formulations are further split into domestic and export segments, each making significant contributions to the market.

Currently, low-value generic drugs dominate Indian pharmaceutical exports. India accounts for approximately 3.5% of global pharmaceutical exports, serving over 200 countries and territories, including stringent markets like the US, the UK, the EU, and Canada.

The Indian domestic formulation market has shown robust growth, contributing to around 2-3% of the global pharmaceutical market as of FY '23. Domestic formulations witnessed a healthy CAGR of 9% from FY '18 to FY '23. Specifically, the Indian injectables market within the domestic formulation sector has demonstrated consistent growth. It expanded from ₹ 182 billion in FY '18 to ₹ 277 billion in FY '23 at a CAGR of 9%.

These trends underscore our optimism about the prospects of the pharmaceutical sector in India. We remain committed to leveraging these opportunities for sustainable growth and value creation.

Performance Highlights

We are one of the largest manufacturers among the CDMO players in India for tablet and capsule manufacturing capacity. Additionally, we attained the second-highest Fixed Asset Turnover ratio and Return on Capital Employed (ROCE) among CDMO formulation players.

In recent years, we have onboarded around 80 new CDMO customers and more than 80% of CDMO revenue driven from a client base associated with company for more than 5 years.

We are focused on expanding our domestic branded generics business through an extensive network of distributors and retailers. We have a dedicated field team to drive sales and marketing efforts, with a particular focus on new generic product launches.

We are also expanding our international branded generic business to regulated markets like the United Kingdom and Canada in addition to the already existing solid footprint in semi-regulated international markets.

Further, the acquisition of Sharon enables us to forge long-term synergies, expanding our product portfolio in formulations and our foray in API manufacturing.

At Innova Captab, we see continuously changing dynamics as opportunities. Our commitment to quality-first principles and adherence to stringent domestic and international standards have been fundamental since our inception. We continuously strive to enhance our processes to meet evolving regulatory requirements.

Over the past 3 years from FY '21 to FY '24, our revenue has witnessed nearly 38% CAGR on a consolidated basis. With the imminent launch of our Jammu facility and the recent acquisition of Sharon, we are optimistic about maintaining this growth trajectory.

Strategic Updates

We are in the advanced stages of establishing our greenfield projects in Jammu for manufacturing facilities in Cephalosporin, Penicillin, Penum and BFS categories to manufacture oral solid Dosages, Dry Powder Injections, Dry Syrup, large volume Parenterals, small volume Parenerals and Respiratory Respule products. This initiative aligns with the New Central Sector Scheme for Industrial Development in Jammu and Kashmir, with plans to begin operations in FY '25.

Looking forward, we aim to enhance our capabilities further by integrating additional product offerings such as formulations and APIs, aiming for long-term synergy and market leadership. Our manufacturing capacities is optimally positioned to meet current demands and is projected to achieve higher overall utilization in the coming years.

To foster innovation and drive future growth, we are planning to establish a state-of-the-art R&D center in Panchkula, Haryana. This facility will focus on developing generic and complex generic products, underscoring our commitment to innovation and expanding our product portfolio.

These strategic initiatives reflect our dedication to maintaining the leadership position in the CDMO sector and delivering sustainable value to our stakeholders. We are confident that these steps will propel us towards continued success and growth in the pharmaceutical industry.

Closing Note

I extend my sincere gratitude to our shareholders, stakeholders, and dedicated team for their firm support and commitment. As we navigate an evolving landscape, fueled by strategic expansions and robust financial performance, we remain steadfast in our pursuit of excellence. With a solid foundation and a clear vision for the future, we are poised for continued growth and success. Together, we will seize opportunities, overcome challenges, and create sustainable value for all stakeholders.

Thank you for your continued trust in Innova Captab Limited.

Warm regards,

Manoj Kumar Lohariwala

Chairman

Innova Captab Limited

From the MD's Desk

Driving Sustainable Growth

> As a Company we continue to drive sustainable growth by exploring new opportunities and focusing on value-added products

Dear Shareholders,

FY '24 has been a landmark year for our Company, highlighted by our successful listing on the Indian Stock Exchange in December 2023. This achievement underscores our commitment to transparency, growth, and creating long-term value for our stakeholders. We operate state-of-the-art manufacturing facilities in Baddi, Himachal Pradesh; Dehradun, Uttarakhand; and Taloja, Maharashtra. These facilities are equipped with WHO-GMP, EU-GMP, UK-MHRA, and other major certifications, ensuring stringent quality standards across our operations.

At Innova, we prioritize operational efficiency, backed by a robust supply chain and world-class manufacturing capabilities. Our in-house R&D capabilities enable us to continually expand our product portfolio and meet evolving market demands. Despite challenges around quality and regulatory requirements, we see these dynamics in the pharmaceutical industry as opportunities to innovate and uphold our commitment to delivering excellence. Since inception, Innova has maintained a steadfast focus on quality-first principles, earning the trust of both domestic and international customers.

As we navigate the evolving landscape, we remain dedicated to enhancing our processes and furthering our progress. We are confident in our ability to sustain our momentum and achieve continued growth in the years ahead.

The Fundamentals

The Indian domestic formulation market is experiencing robust growth due to several key factors. Rising income levels and increased health awareness are driving demand, while improvements in life expectancy and changing demographic profiles are also contributing significantly. Furthermore, the enhanced penetration of health insurance is playing a major role in expanding access to healthcare services across the country.

In recent years, the pharmaceutical landscape in India has seen a notable increase in outsourcing, reflecting a shift towards greater agility, flexibility, and cost efficiency.

The industry is embracing asset-light models and implementing stringent cost controls with the aim of accelerating the time-to-market for new products.

Looking ahead, the Indian formulation export market is projected to witness a CAGR of 6-8% from FY '23 to FY '25. This growth trajectory is underpinned by India's expanding share of ANDA approvals and rising demand for generics in global markets. The patent cliff and growing traction in regulated markets for biosimilars further bolster these prospects.

Similarly, the Indian CDMO market is expected to sustain strong growth over the next five years. This growth can be attributed to increased outsourcing by pharmaceutical companies, the growth of formulations and API sectors, and the ability to provide comprehensive integrated services across the drug lifecycle.

As we navigate these dynamic trends, our focus remains on leveraging our strengths, fostering innovation, and delivering value to our stakeholders. Together, we are well-positioned to capitalize on emerging opportunities and drive sustainable growth in the Indian pharmaceutical sector.

Major Business Area Performances

Our CDMO business continues to attract significant attention, driven by strong demand. However, we have faced challenges with lower API prices impacting our performance compared to the previous year, given our cost-plus model. Looking ahead to the next financial year, we are optimistic about the growth prospects of our CDMO business, supported by robust demand visibility.

As of FY '24, we are proud to have 193 CDMO customers, underscoring our strong market presence. This segment has contributed approximately 58% of our total revenue for the year.

Our domestic generic business has seen significant improvements, driven by the expansion of our pan-India network of distributors, stockists, and pharmacies. This segment contributed around 18% of our overall revenue in FY '24.

Our international branded generic product business remains focused on expanding into emerging and semi-regulated international markets, while also making strides in regulated markets such as the UK and Canada. We are pleased to report exports of our branded generics to 25 countries, with this segment contributing approximately 11% of our total revenue in FY 2024.

In June 2023, we acquired Sharon through CIRP process. Sharon has strong CDMO formulation manufacturing capabilities including API manufacturing and it caters majorly to international markets including Canada, UK, Europe, Australia, Korea and Vietnam. Revenue contribution from this business is nearly 13%.

As we move forward, our strategic focus remains on enhancing operational efficiencies, expanding our market reach, and delivering sustainable growth across all segments. Together, we are poised to capitalize on opportunities and navigate challenges with resilience and determination.

Financial Highlights

Our performance in FY '24 has been exceptionally positive across all key segments. Our portfolio of key products has experienced strong demand throughout the year.

We are pleased to report significant financial achievements for the year. Our EBITDA for FY '24 stood at ₹ 167 crores, reflecting a growth of 36% compared to the previous year. Profit after tax (PAT) amounted to ₹ 94 crores, marking a substantial year-on-year increase of 39%. Importantly, our net cash generated from operating activities totaled ₹ 146 crores for FY '24, compared to ₹ 67 crores in FY '23.

In terms of total income, we achieved ₹ 1,094 crores for FY '24, marking a robust growth of 17% over the previous year. Looking ahead, we remain optimistic about the growth prospects across all our business areas. Each segment is showing strong traction and is poised for healthy growth in the coming years.

I commend our team for their dedication and hard work, which has been instrumental in achieving these outstanding results. Together, we are well-positioned to capitalize on future opportunities and continue our journey of sustainable growth.

Current Progress and Way Forward

Our Greenfield plant in Jammu is progressing as planned, with expectations to commence operations across all four blocks—Cephalosporin, Penicillin, Penum, and BFS—in FY '25. This facility will enable us to manufacture a wide range of products, including oral solid dosages, injectables, syrups, and respiratory products. Additionally, we are poised to benefit from the new central scheme for industrial development in Jammu and Kashmir.

Additionally, to enhance our innovation capabilities, we are expanding with a new R&D center in Panchkula, Haryana, complementing our existing R&D facility in Baddi.

Through this expansion, we look forward to enhance our capabilities to 5 facilities having 9 independent manufacturing blocks.

Over the past 3 years, we have achieved a healthy CAGR of over 38%. With the acquisition of Sharon and the upcoming launch of our Jammu facility, we are optimistic about sustaining our robust growth trajectory. Looking ahead, we are confident about maintaining this momentum and achieving similar growth over the next 3-4 years.

Indian pharmaceutical companies are expected to see considerable growth in the coming years, as both local and global manufacturers seek trustworthy and sustainable suppliers like us. At Innova Captab, we are dedicated to driving sustainable progress by exploring fresh opportunities and concentrating on value-enhancing products.

Closing Note

I am truly excited about the path ahead for our Company. The strategic initiatives we have undertaken, from the acquisition of Sharon to the upcoming launch of our Jammu facility and the establishment of our new R&D center in Panchkula, position us strongly for sustained growth and innovation. With your expertise, I am confident that we will continue to achieve our goals and exceed expectations. Thank you for your dedication and hard work. Together, we will shape a successful future for Innova Captab Limited.

Warm regards,

Vinay Lohariwala

Managing Director

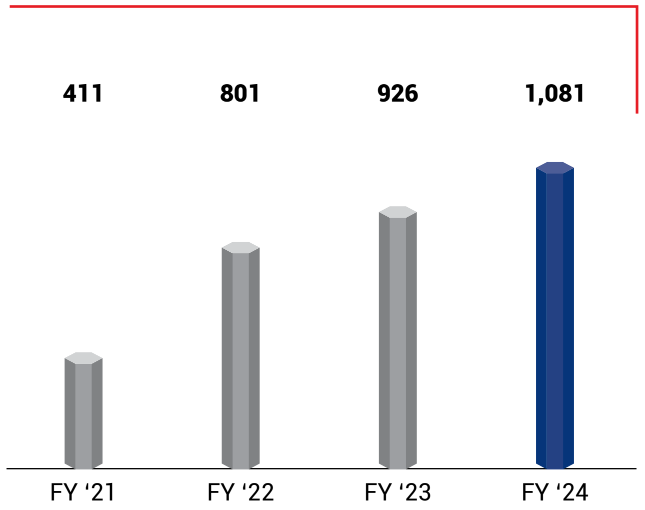
Innova Captab Limited

Key Financial Highlights

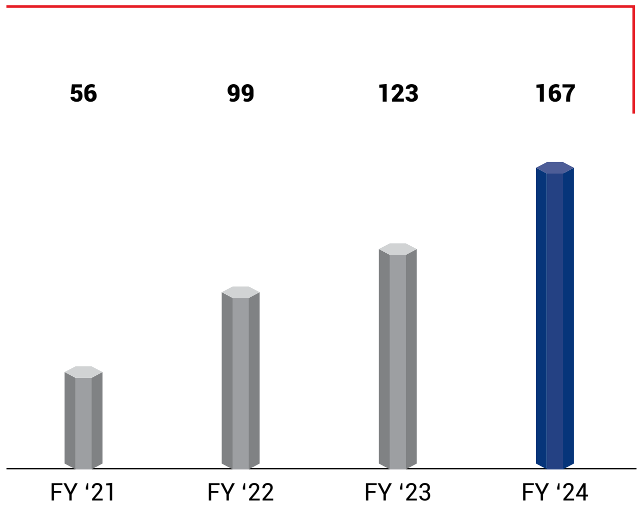
Pioneering Robust Financial Growth by Building Value

Key performance metrics on a consolidated basis:

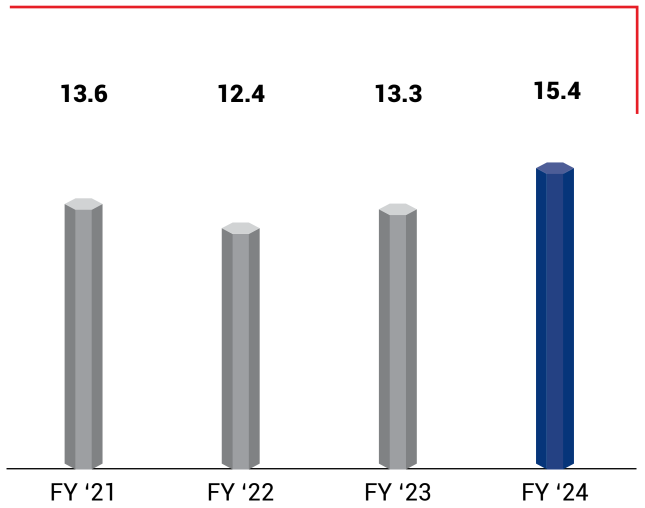
Revenue from Operations (₹ in crores)



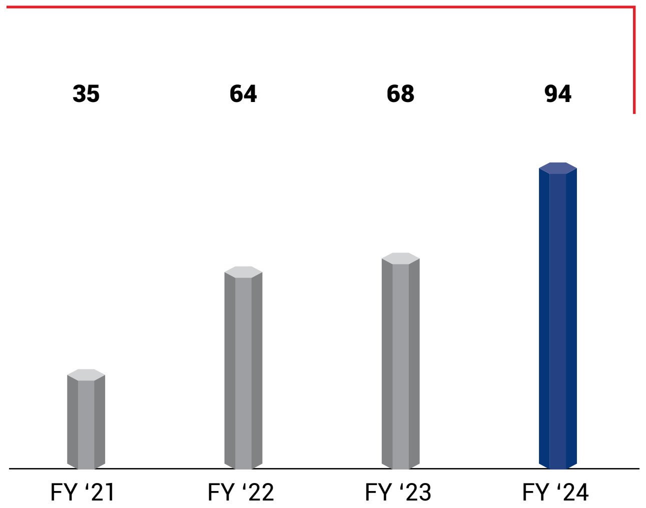
EBITDA (₹ in crores)



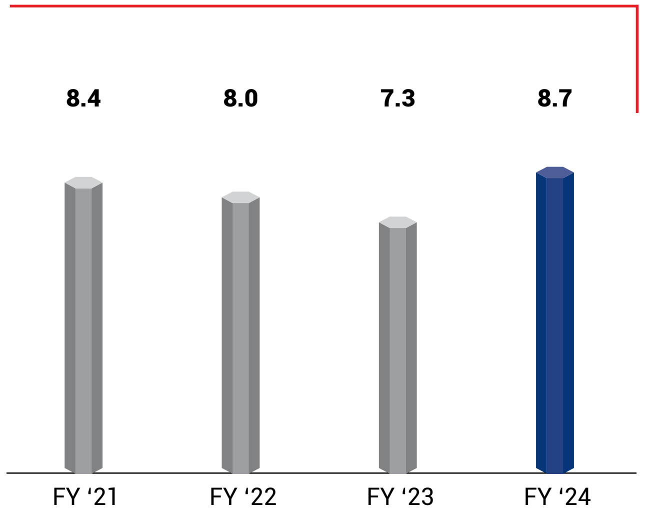
EBITDA Margin (in %)



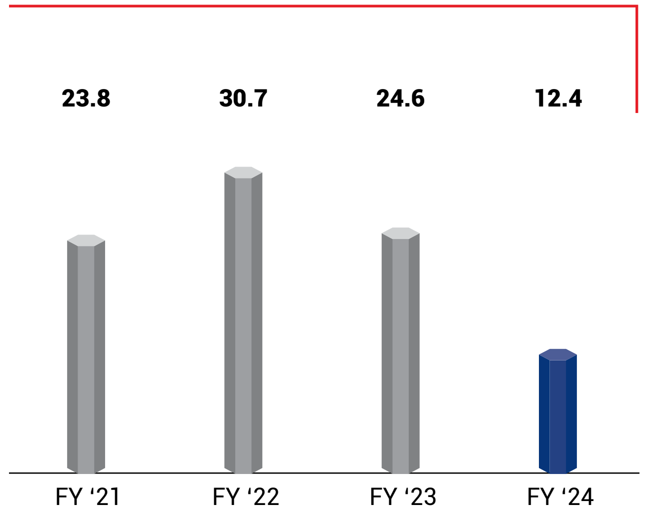
PAT (₹ in crores)



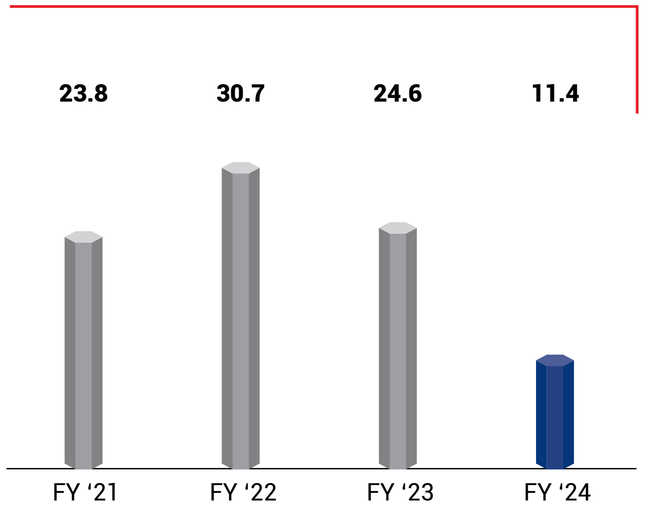
PAT Margin (in %)



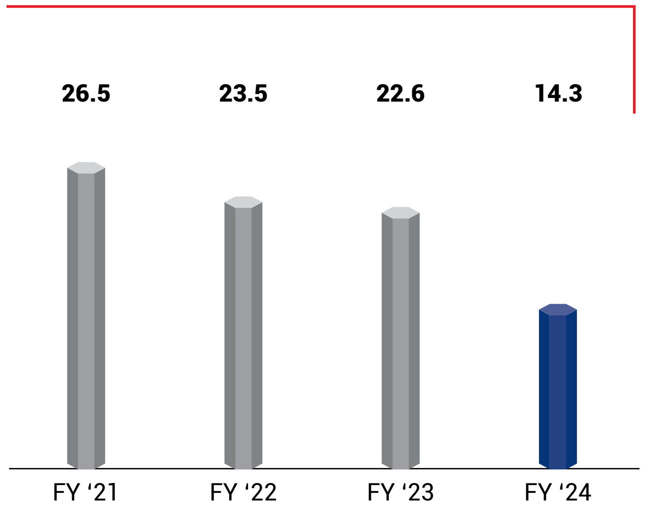
Return on Net Worth (in %)



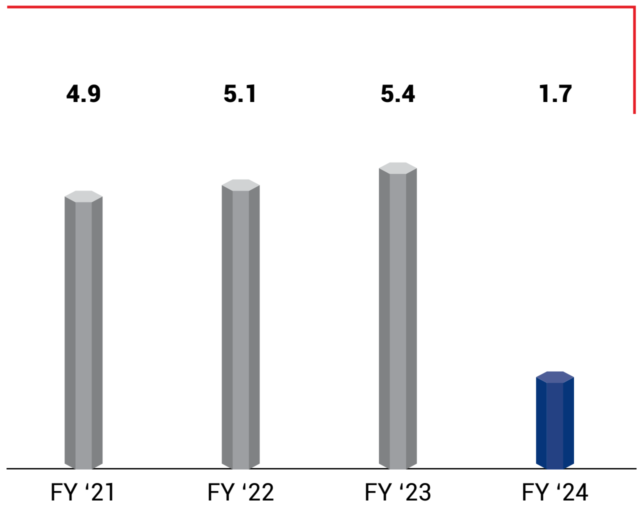
ROE[1] (in %)



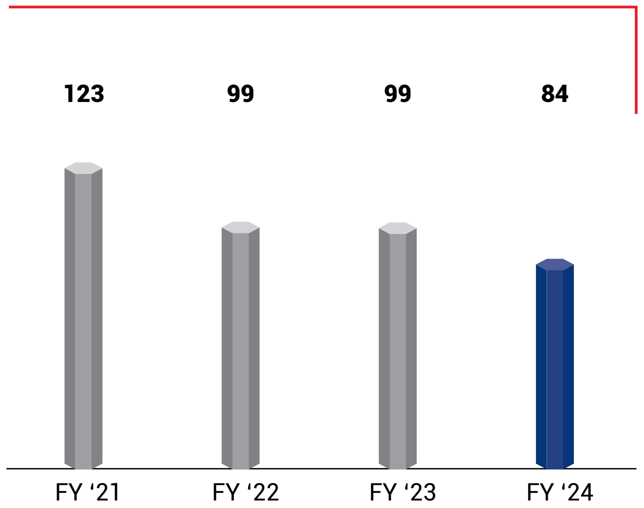
ROCE[1] (in %)



Fixed Asset Turnover Ratio[1]



Working Capital Days



[1]ROCE/ROE and Fixed Asset Turnover ratio is lower due to additional investment in Jammu plant and higher capital base due to IPO in Dec '23

Our Strategies

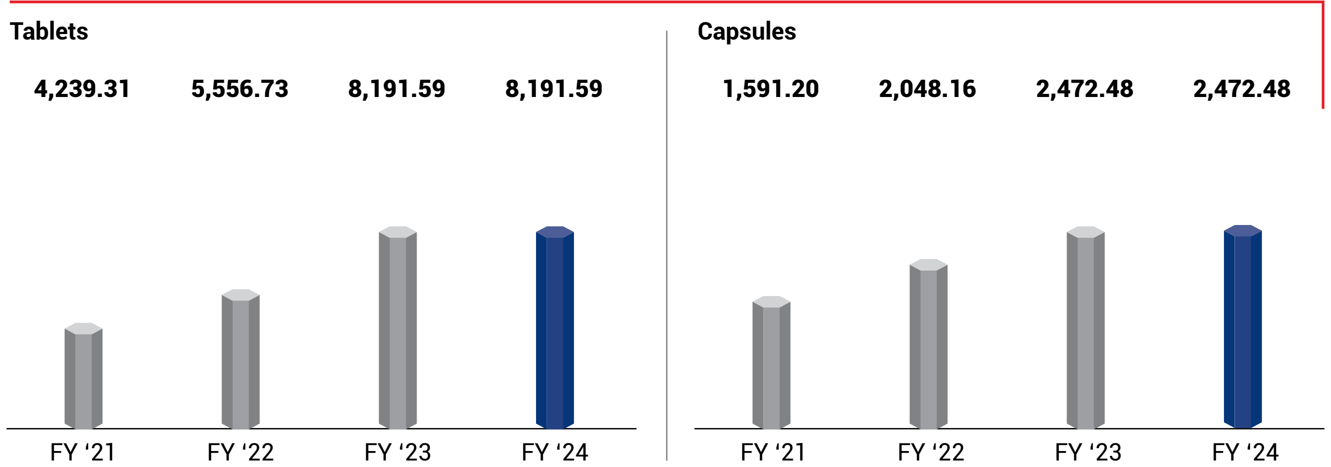
Driving Growth and Value through Strategic Planning

For any organization to remain relevant to the market and its customers, it is crucial to realign strategic priorities, evolve with the current landscape, and lay the foundation for long-term sustainable growth. To achieve this, we have strategically identified key drivers that will enable us to capitalize on external opportunities and achieve our ambitious growth aspirations, thereby creating value for our stakeholders.

S1: Expansion of our Manufacturing Capacities

CDMOs are an essential and expanding segment of the pharmaceutical value chain. By enhancing our manufacturing capacity, we aim to broaden our product offerings in both our CDMO and branded generic businesses. To support this growth, we are planning to construct a new facility in Jammu, which will include the production of tablets, capsules, dry syrups, and injections.

Our Capacity Over the Years (in million)



S2: Expansion of Our Wallet Share

At Innova Captab, our goal is to expand our business with existing customers while also developing new relationships. We strive to increase the formulations manufactured for our current customers by leveraging our in-house R&D and large-scale manufacturing capabilities. Over the last few years, we have added over 80 new customers, and nearly 80 % of our CDMO revenue is driven from a client base associated with us for over five years. We aim to expand our formulations business further by broadening our portfolio with new products and more complex dosages, as well as expanding our manufacturing capacities.

Numbers of CDMO Products Sold

1,000+ FY '21

2,900+ FY '24

S3: Continued Focus on R&D Operations

Our R&D operations are the growth engine of our business, and we remain committed to expanding our research activities for both our CDMO and International branded generic businesses. We plan to sustain our current R&D expenditure levels and continue investing in R&D capital. Additionally, we are in advanced stages of establishing a new R&D center in Panchkula, Haryana. This new center will be equipped with advanced equipment and instruments, focusing on the development of generic and complex generic products.

S4: Growing our International Export Business

At Innova Captab, we are making significant strides in growing our international export business. We have successfully engaged with partners in Canada through tech transfer route, marking our entry into this regulated market. Building on this momentum, we aim to expand further into regulated markets like the UK and Canada. To support this growth, we are focused on expanding our product range and enhancing our marketing efforts, ensuring a robust presence in these key international markets.

S5: Expanding our Domestic Branded Generics Business

We have successfully marketed our domestic branded generics business through a well-established network of approximately 5,000 distributors and stockists, and over 150,000 retail pharmacies across India. We are committed to expanding our pan-India reach by incorporating additional distributors and retailers. Our strategy includes providing all-round support to our existing chain of distributors and retailers along engaging new partners and channels to further enhance our market presence.

S6: Growing Through Sharon Acquisition

We aim to capitalize on the growth of the Indian pharmaceuticals market by pursuing strategic acquisitions focused on backward integration. This includes expanding our capabilities with increased capacity and a broader range of product offerings. Our primary focus will be on targets engaged in the formulation business with a strong export orientation, which can supplement Innova Captab's entire business value chain. We will pursue acquisitions that align with our current or desired competencies. These will also provide opportunities to enhance our access to regulated international markets through additional accreditations, while meeting our profitability metrics. Futher this has also enhanced access to regulated international markets with additional accreditations.

Environment

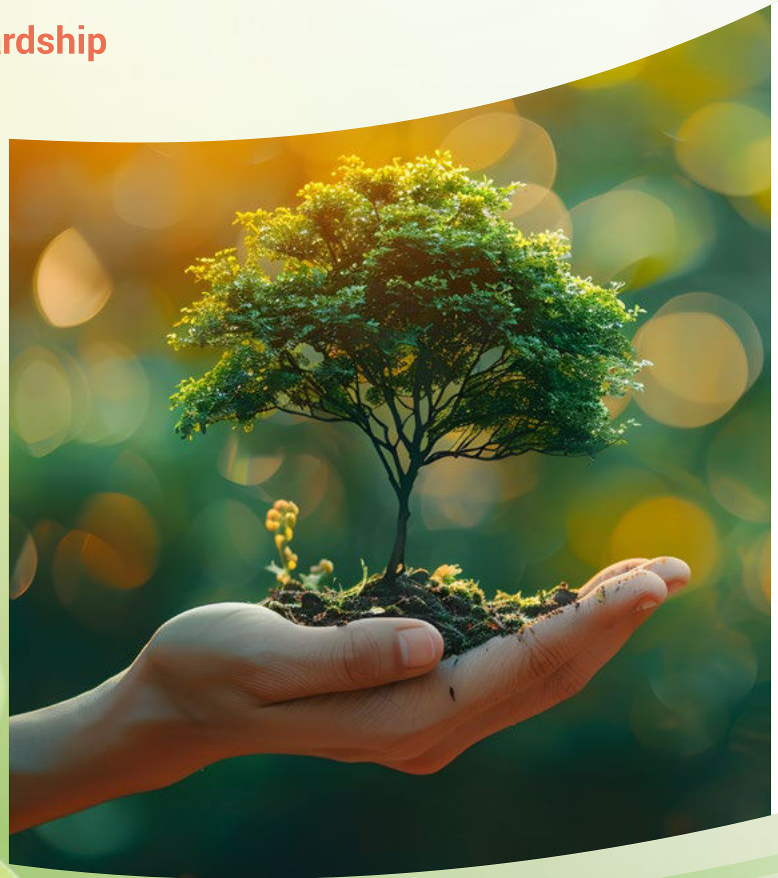
Shaping a Better Tomorrow

We seamlessly integrate environmental and societal commitments into our corporate responsibility framework. By placing our ESG objectives at the heart of our business activities, we are committed to improving our environment through various initiatives. These efforts ensure that we maintain a balance between our environmental and social impact while adhering to stringent governance standards. Our goal is to make a lasting, positive impact on our communities and the environment, fostering a better tomorrow for all stakeholders.

Initiatives Towards Environmental Stewardship

Innova Captab is committed to sustainability and responsible practices

Our Sustainability Strategy is built on the premise that positive economic results are not possible but are also enhanced in the long run, when we effectively manage our Environmental, Social, and Governance ('ESG') activities. Our strategy, based on the ESG framework, aims to create long-term stakeholder value and sustainable growth for our business.



Waste Management

At Innova Captab Limited, we recognize the critical role that effective waste management plays in safeguarding the environment and mitigating pollution. Our commitment to responsible waste management is reflected in our rigorous approach to reduce, recycle, and safe disposal of hazardous materials. We have implemented a robust waste management strategy that spans our entire organization, focusing on minimizing our footprint. This strategy includes meticulous waste segregation, as well as partnerships with reputable waste disposal companies. Adhering to all relevant regulations and industry best practices, we are dedicated to promoting a circular economy. Additionally, we actively pursue initiatives aimed at reducing pollution, conserving resources, and contributing to a healthier, more sustainable future for our organization and the communities we serve.

Social

Impacting Lives While Ensuring Value-Accretive Growth

We recognize the importance of making meaningful contributions to our people and society, extending our impact beyond business operations. Alongside our commitment to sustainable livelihoods, we are dedicated to supporting quality healthcare and the overall well-being of the community. This holistic approach reflects our core values and deepens our connection with the society we serve.

Our People Health and Safety

At Innova Captab, we prioritize the health and safety of our employees and undertake various initiatives to promote their well-being and quality of life. Our comprehensive health and safety policy supports a safe and healthy workplace, offering benefits, resources, and flexibility to enhance employee wellness. We have a dedicated team of safety personnel, including firefighters, safety marshals, and safety engineers, to oversee these efforts.

Compliances

The Company is committed to maintaining a high level of compliance with the applicable labour laws and has implemented various policies and process to ensure timely completion of all periodic labour compliances and for monitoring and maintaining the status of compliances on an on-going basis.

Community

CSR is at the heart of our mission, guiding us to create a positive and lasting impact on society. Our initiatives are designed to enhance community well-being, promote sustainable development, and foster a culture of responsibility and integrity. By aligning our business practices with these values, we aim to contribute meaningfully to the betterment of society, ensuring that our growth benefits not only our stakeholders but also the world around us.

Initiatives For Community

- Healthcare, including preventive healthcare and sanitation
- Promoting education
- Animal welfare
- Promoting social and economically backward groups
- Employment enhancing vocational skills

Governance

Building Capabilities with Inspiring Guidance

We build our growth trajectory on the highest ethical standards. By adhering to a robust code of conduct and sound financial ethics, we set a high standard for governance within the industry. Guided by the esteemed Board of Directors, whose prudence and perseverance steer us towards excellence in all our business initiatives, our firm commitment to integrity and transparency solidifies our reputation as a trusted industry leader.

Board Committees

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee

Policies Implemented

- Vigil Mechanism & Whistle Blower Policy
- Code of Internal Procedure and Conduct for Regulating Insider Trading
- Policy for Determination of Materiality
- Policy on Related Party Transaction
- Policy determining Material Subsidiaries
- Code of Practices and Procedures for Fair Disclosure of UPSI
- Policy for Familiarization Programme for Independent Directors
- Code of Conduct for BOD & SMP
- Policy on Succession Planning for Board of Directors & Senior Managerial Personal
- Policy to Promote Diversity on Board
- Policy on Preservation of Documents
- Policy for Prevention of Sexual Harassment
- Archival Policy
- Dividend distribution policy
- Corporate Social Responsibility Policy
- Nomination & Remuneration Policy
- Performance Evaluation policy
- Risk Management Policy
- ESG Policy
- Investor Grievance Policy

The Board

Mr. Manoj Kumar Lohariwala
Chairman and Whole-time Director

Mr. Vinay Kumar Lohariwala
Managing Director

Mr. Jayant Vasudeo Rao
Whole-time Director

Mr. Archit Aggarwal
Non-Executive Non-Independent Director

Mr. Sudhir Kumar Bassi
Non-Executive Independent Director

Mr. Shrish Gundopant Belapure
Non-Executive Independent Director

Ms. Priyanka Dixit Sibal
Non-Executive Independent Director

Mr. Mahender Korthiwada
Non-Executive Independent Director

Key Managerial Personnel

Mr. Lokesh Bhasin
Chief Financial Officer (CFO)

Mr. Mukesh Kumar Singh
Deputy Chief Financial Officer (Deputy CFO)

Ms. Neeharika Shukla
Company Secretary and Compliance Officer

Major Awards, Accreditations and Recognitions

Recognized for our Excellence

2018

Received the Company registration certificate for cephalosporin and general product production from the Ministry of Health and Population, Republic of Yemen.

Received the foreign pharmaceutical manufacturing company registration certificate from the Ministry of Public Health, Islamic Republic of Afghanistan.

2019

Received Good Manufacturing Practices compliance certificate for manufacturing and packaging general pharmaceutical formulations from the Tanzania Medicines and Medical Devices Authority.

Received GMP compliance certificate for manufacturing medicinal products from the Medicines Authority of Malta.

2020

Received recognition for our in-house R&D units from the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India.

2021

Received GMP certificate for production, packing, and quality control of tablets, capsules, and external preparations from the Health and Family Welfare Department, Government of Himachal Pradesh.

Received GMP certificate for manufacturing tablets, capsules, and external preparations from the Health and Family Welfare Department, Government of Himachal Pradesh.

Received GLP certificate for testing tablets, capsules, and external preparations from the Health and Family Welfare Department, Government of Himachal Pradesh.

Received GMP compliance certificate for manufacturing beta-lactam (cephalosporin) products from the National Drug Authority, Uganda.

Received GMP compliance certificate for manufacturing non-beta-lactam products from the National Drug Authority, Uganda.

Received GMP certificate for production, packing, and quality control of cephalosporin and general products from the Health and Family Welfare Department, Government of Himachal Pradesh.

Received GMP compliance certificate for manufacturing and aseptic filling of cephalosporin vials from the Food, Medicine, and Health Care Administration and Control Authority of Ethiopia.

2022

Received GMP certificate for manufacturing beta-lactam and non-beta-lactam products from the Health and Family Welfare Department, Government of Himachal Pradesh.

Received GLP certificate for testing beta-lactam and non-beta-lactam products from the Health and Family Welfare Department, Government of Himachal Pradesh.

2023

Renewal of Good Manufacturing Practices compliance certificate for manufacturing and packaging general pharmaceutical formulations from the Tanzania Medicines and Medical Devices Authority.

Renewal of Good Manufacturing Practices compliance certificate from Pharmacy and Poison Board, Kenya.

Management Discussion and Analysis

Economic Overview

Global Economy

The global economy has shown remarkable resilience amid post-pandemic supply chain disruptions, an energy and food crisis from Russia's invasion of Ukraine, and a significant inflation surge. Synchronized global monetary policy tightening has stabilized growth and slowed inflation. Projections for 2024 and 2025 indicate stable growth at 3.2%[1]. The median inflation is projected to decline from 2.8%[2] in late 2024 to 2.4%[2] by the end of 2025. While the US has surpassed its pre-pandemic growth trends, low-income developing countries face more economic scarring.

Growth trends in advance economies are stabilizing below pre-pandemic averages, with a slight increase in the 2024 forecast to 1.7%[1] and 2025 remaining at 1.8%[1]. Emerging and developing economies are projected to grow at 4.2%[1] this year and in 2025, while China's growth forecast remains stable at 4.6%[1] for 2024. Projections indicate continued stability and decreasing inflation, despite risks such as rising oil prices and economic divergences. Policymakers must focus on strategies to rebuild fiscal buffers, enhance growth prospects, and preserve improved policy frameworks to ensure sustained resilience and global cooperation.

Source

([1]World Economic Outlook, April 2024: Steady but Slow: Resilience amid Divergence (imf.org)
[2]https://www.imf.org/en/Blogs/Articles/2024/04/16/global-economy-remains-resilient-despite-uneven-growth-challenges-ahead
[3]https://ackermanngroup.com/blog/market-perspective-q1-2024/)

Indian Economy

The Indian economy has displayed remarkable resilience and robust growth, defying global headwinds. It has emerged as a bright spot in the international economic landscape. The latest data for the year ending March 2024 shows an 8.2%[1] real growth in the economy, surpassing all expectations. Driving this stellar performance is the strong momentum witnessed across critical sectors such as manufacturing, construction, and government capital expenditure. The manufacturing sector, once a laggard, has turned a corner, growing at an impressive 8.9%[1] year-on-year in the three months ending in March 2024.

While the overall economic landscape is encouraging, there are some concerns. Private consumption growth has lagged at 4%[2], reflecting the slower growth in employment-heavy sectors such as agriculture, livestock, forestry, fishing, and trade, hotels, and transportation. This trend highlights the need for inclusive growth and measures to stimulate employment opportunities in these vital sectors.

Looking ahead, most economists are cautiously optimistic for FY '25, with growth estimates ranging between 6.5%-7%[2]. This tempered outlook reflects the potential disappearance of the subsidies-distortion effect, declining fiscal stimulus, and concerns over a slower global economic environment. Nonetheless, the Indian economy's remarkable performance in the face of adversity is a testament to its resilience and the efficacy of the Government's policies. With sustained efforts towards inclusive growth, strategic investments, and prudent fiscal management, India is well-positioned to solidify its position as an economic powerhouse on the global stage.

Source

([1]https://www.cnbc.com/2024/05/31/indias-economy-grows-faster-than-expected-in-jan-march-on-strong-manufacturing.html
[2]https://www.financialexpress.com/policy/economy-economists-give-a-thumbs-up-to-robust-fy24-gdp-ahead-of-poll-results-on-june-4-maintain-fy25-estimates-at-6-5-7-3510085/)

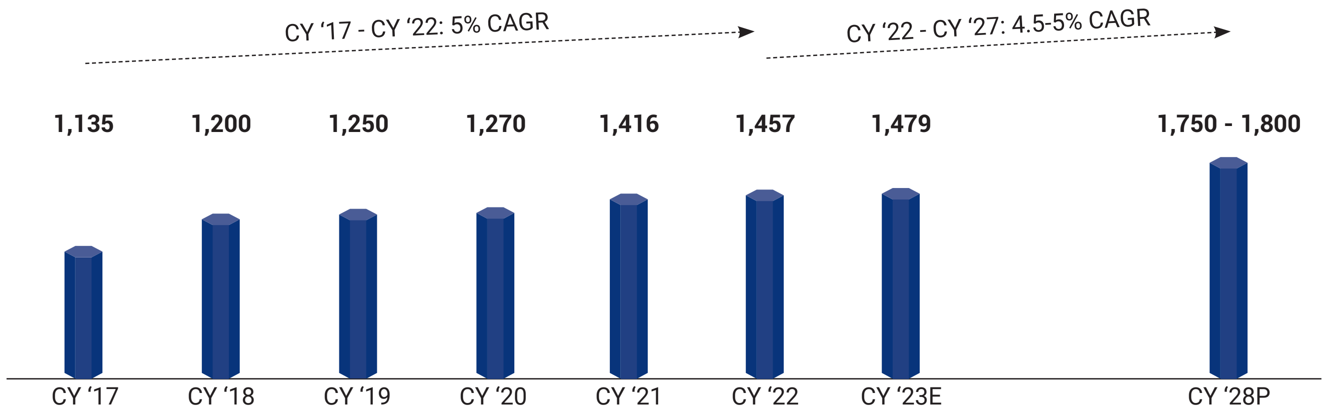
Industry Overview

Global Pharmaceutical Market

The global pharmaceutical market has experienced significant growth, at a CAGR of 5% from around USD 1,135 billion in 2017 to approximately USD 1,457 billion in 2022. Following a powerful performance in 2021 and 2022 due to pent-up demand, the market is projected to stabilize in 2023. It is anticipated to maintain a steady growth rate of 4.5-5% CAGR over the next five years, reaching an estimated USD 1,750 to 1,800 billion by 2027. Pharmaceutical companies worldwide are focusing on providing personalized treatment options and precision medicine tailored to individual patient needs, preferences, and genetic makeup. Additionally, there is a rise in the uptake of generic medicines, as cost-effective and efficient treatment alternatives.

Pharmaceutical companies worldwide are increasingly focusing on offering customized treatment options and precision medicine tailored to the needs of individual patients. Additionally, there has been a notable increase in the uptake of generic medicines, driven by their cost advantages and effectiveness in treatment. Overall, the global pharmaceutical industry continues to evolve, with a focus on innovation, accessibility, and personalized healthcare solutions.

Global Pharmaceutical Market by Value (USD in billion)



E - Estimated
P - Projected

Source

(Assessment of the global and Indian pharmaceuticals industry, October 2023, by Crisil)

Indian Pharmaceutical Market

The Indian pharmaceutical industry is a global powerhouse, ranking third in terms of volume and valued at ₹ 3.6-3.8 trillion (inclusive of bulk drugs and formulation exports) as of FY '23. The industry can be broadly categorized into formulations and bulk drugs, with the former further divided into domestic and export formulations, each holding a significant market share. Currently, Indian exports account for approximately 3.5% of global pharmaceutical exports and are mainly dominated by low value generic drugs. India exports pharmaceuticals to over 200 countries and territories, including highly regulated markets such as the US, the UK, the European Union, and Canada. The country boasts a comprehensive ecosystem for pharmaceutical development and manufacturing, with companies possessing state-of-the-art facilities and skilled technical personnel. Additionally, India is home to several renowned pharmaceutical educational and research institutions, as well as a robust ecosystem of allied industries.

Currently, the Indian pharmaceutical market has demonstrated robust growth, achieving an 8.8% increase in value as of June 2024. Key therapies such as anti-infectives, gastro, and respiratory have shown double-digit growth rates, underscoring their significant contributions to the overall market performance. Growth drivers include new product introductions and price increases, which have positively impacted the market. These developments align with India's comprehensive ecosystem for pharmaceutical development and manufacturing, enhancing the sector's global standing. Looking forward, the industry is expected to maintain its upward trajectory, driven by ongoing innovations, an expanding healthcare infrastructure, and increasing demand for pharmaceuticals across various therapeutic segments.

Moreover, government initiatives such as the production-linked incentive (PLI) scheme and healthcare expansion efforts like Ayushman Bharat serve as catalysts for industry growth. The recent introduction of the PRIP MedTech Sector scheme further amplifies efforts to bolster domestic pharmaceutical production. The industry's expansion is further supported by rising health awareness, an increase in lifestyle diseases, and growing demand for affordable healthcare solutions. These synergies between policy support, technological advancements, and healthcare infrastructure expansion position India's pharmaceutical sector as a beacon of innovation and sustainability on the global stage.

Source

(DGFT, CRISIL MI&A Research and Assessment of India's Pharmaceutical Market 2024 by Smart Research Insights, IPM Performance – PharmaTrac Jun)

Trends in the Pharmaceutical Industry

Growth in Outsourcing Trend and their Advantages for Larger Players

Pharmaceutical companies face ongoing pressure to speed up product commercialization, making outsourcing a key strategy. By leveraging contract services, these companies gain access to technology, capacity, resources, and expertise not available in house. Outsourcing, now a standard practice among leading international pharmaceutical companies, allows for multiple concurrent projects and cost reduction by avoiding significant capital expenditures. In India, the pharmaceutical industry's outsourcing was estimated at 35-40% in FY '23, covering activities such as screening and lead identification to toxicology, preclinical studies, clinical trials, manufacturing, and marketing. This approach often leads to successful project outcomes that exceed expectations. Large pharmaceutical companies benefit from reduced costs and faster time-to-market, as contract development and manufacturing organizations (CDMOs) can produce products more cost-effectively due to economies of scale.

Asset-Light Model and Cost Control

Larger pharmaceutical companies maintain an asset-light business model by outsourcing capital-intensive activities, such as manufacturing, storage, and logistics, to specialized organizations. This model allows companies to focus on core activities like expanding their product portfolio and investing in new products. Outsourcing includes molecule research and development to the commercial manufacturing of drugs. This is time-consuming and costly in case the facilities are owned for the long term. Flexible contracts with outsourcing partners further contribute to cost savings.

Time-to-Market

Reducing time-to-market is crucial for pharmaceutical companies, particularly generic drug manufacturers who seek to capitalize on the expiration of patents on original products. The R&D phase is notably time intensive. However, CDMO companies are uniquely positioned to accelerate this timeline due to their specialized expertise and optimized processes. By leveraging advanced technologies and a focused infrastructure, CDMOs can reduce the time spent in R&D significantly, enabling faster progression from molecule development to commercialization. Their efficiency in managing complex development tasks, coupled with the adoption of agile approaches, further expedites the process, providing pharmaceutical companies with enhanced competitive advantages in the marketplace.

Agility and Flexibility

Agility and flexibility in business mean quickly adapting to changing circumstances, customer needs, market dynamics, and competition. The pandemic underscored the need for flexibility, especially in supply chains. The pharmaceutical industry, with its lengthy value chain from R&D to the final product, has had to adapt as well. CDMO companies, in particular, have demonstrated greater agility compared to traditional pharmaceutical companies. Their ability to swiftly adjust to new demands, implement changes, and innovate with minimal disruption sets them apart. This agility is not only evident in their operational processes but also in their capacity to scale production rapidly and meet diverse client needs. Indian pharmaceutical companies, which rely heavily on imported raw materials, are diversifying their supply sources to increase supply chain resilience.

To remain relevant, companies must integrate modern technologies and processes in response to the evolving business landscape. They must also comply with various regulatory norms from countries such as the US and the UK, and the Pharmaceutical Inspection Convention (PIC). The constantly changing regulatory environment requires agility to respond and comply effectively with these regulations, an area where CDMOs excel by swiftly adapting to regulatory changes while maintaining high-quality standards.

The Rise of Contract Development and Manufacturing Organizations (CDMOs)

Global CDMO Market

In recent years, CDMOs have emerged as an important model reshaping the landscape of the global pharmaceutical industry. With heightened globalization and a focus on cost efficiency and operational optimization, they have garnered widespread acceptance worldwide. The increasing demand for generic medicines and biologics, coupled with the imperative to reduce time-to-market (TTM), has underscored the significance of contract manufacturing and outsourcing activities for pharmaceutical companies.

Pharmaceutical firms are increasingly outsourcing R&D activities to CDMOs to streamline drug development timelines and control costs. Partnerships with manufacturers in emerging countries provide access to skilled, cost-effective workforce and quality data. CDMOs are appealing due to their ability to drive innovation, provide specialized knowledge and technology, and enhance speed and agility in drug development. This synergy is evident in the growing trend of formulation development outsourcing, positioning CDMOs to gain significant advantages over in-house facilities. Complementing CDMOs, contract research organizations (CROs) offer outsourcing services for drug development, clinical research, and trials.

The global CDMO formulations market is projected to reach USD 40-45 billion by 2027, driven by strong growth in outsourcing. Many large pharmaceutical companies are increasingly outsourcing their research and manufacturing to specialized CDMOs. Additionally, there is a growing trend of outsourcing formulation R&D activities to CDMOs. The rising penetration of generics and the development of new molecules are expected to further support the growth of the CDMO market in the near to medium term.

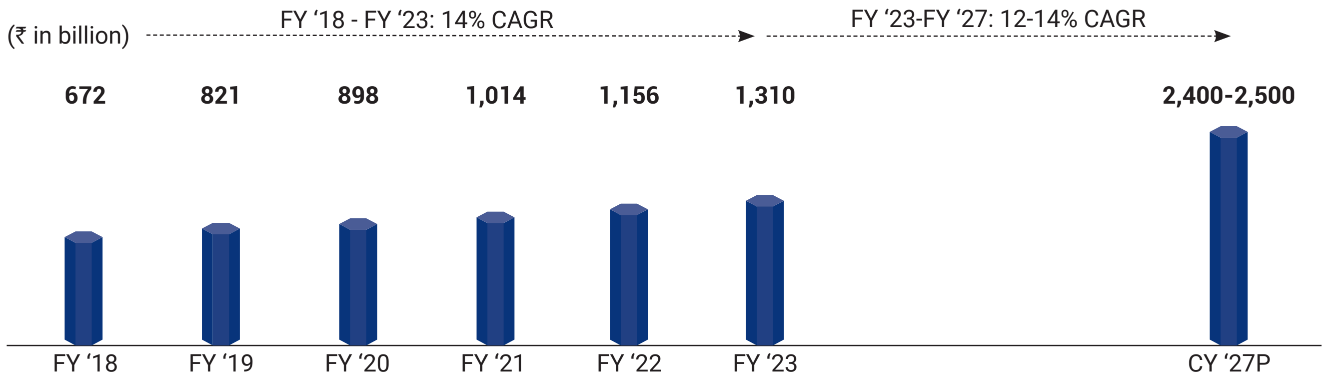
Source

(CRISIL MI&A Research)

Indian CDMO Market

The Indian CDMO market has been on a remarkable growth trajectory, with a CAGR of 14% from FY '18 to FY '23. This momentum is expected to continue over the next five years, driven by the industry's insatiable appetite for innovation and India's burgeoning export potential. By FY '28, the Indian CDMO market (including domestic and exports) is projected to reach ₹ 2,400 to 2,500 billion, at a CAGR of approximately 12-14% from ₹ 1,310 billion in FY '23. The CDMO segment's growth is fueled by the increasing demand for outsourcing the development and manufacturing of new products from large pharmaceutical companies, both Indian and multinational/global. The key growth drivers in the CDMO industry include the rise of asset-light pharmaceutical companies, pursuit of cost awareness and manufacturing efficiency, focus on product and packaging innovation, CDMOs' ability to enable customers' end-market aspirations through combination products and new dosages, surge in generics and institutionalization of the pharmaceutical industry, end-to-end services, time-to-market, strong development in the export market, maintaining margins, regulatory changes, and increasing economies of scale. All these factors are shifting the CDMO status from 'supplier' to 'partner'.

Furthermore, the revised Schedule M of the Drugs and Cosmetics Rules, 1945, will mandate stricter quality management standards, incorporating WHO-GMP guidelines and emphasizing robust quality systems, risk management, and stringent documentation practices with effects from July 01, 2024 as per notification in early January by Drugs and Cosmetics Rule 1945 prescribes good manufacturing practices (GMP) for pharmaceutical products. For Innova Captab Limited, which already adheres to these processes, the new regulations will further consolidate its competitive advantage over other Indian pharmaceutical manufacturers. By maintaining high standards and ensuring compliance with the latest guidelines, Innova Captab Limited can enhance its reputation for quality and reliability. This will not only reinforce its market position but also open up new opportunities for exports, as global markets increasingly seek suppliers who meet international quality standards.



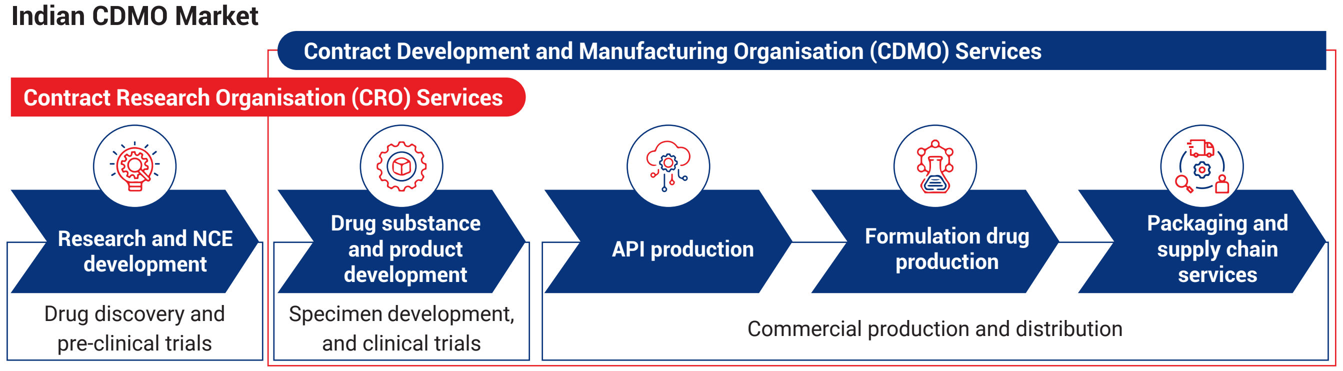
Note: P-Projected, CDMO market is inclusive of domestic as well as export values of APIs and Formulation

The Indian CDMO market caters to a significant portion of total production in the Indian pharmaceutical market. As of FY '23, approximately 35-40% of the Indian pharmaceutical production was catered to by CDMOs in India. Their market share is expected to rise to approximately 40-45% by FY '28. The expected growth in the Indian CDMO market from FY '23 to FY '28 (CAGR of 12-14%) is stronger than that in the Indian domestic formulation market across the same period (CAGR of 9-10%). This is mainly due to the strong growth of outsourcing in global pharmaceutical industry and rise of India's export potential. Further, the need for pharmaceutical companies to achieve better products and patient compliance is expected to further drive the growth of the Indian CDMO market.

Source

(CRISIL MI&A Research)

Indian CDMO Market



Key Growth Drivers for the CDMO Industry

Rising Outsourcing Trends

Pharmaceutical companies increasingly outsource the discovery, development, and manufacturing of new products to save on fixed or capital costs and gain access to specialized capabilities not available in-house. CDMOs offer niche services, including product development, characterization, manufacturing of clinical and commercial APIs, drug products, and ancillary services like clinical, logistical, distribution, and regulatory support.

Growing Demand for Generics

With many patents for innovative drugs expiring, pharmaceutical companies are actively exploring the generic market, breaking the monopoly of multinational pharmaceutical companies in Europe and America. India has a high share of ANDA approvals worldwide, indicating a strong presence of Indian generic players in regulated markets like the US. This trend offers significant export opportunities for Indian CDMO players, who are expected to partner with pharmaceutical companies to overcome process barriers. The expiration of patents presents a substantial growth opportunity for Indian CDMOs.

Strong Export Growth

India's robust export growth is expected to benefit CDMO players. CRISIL projects India's formulation exports to register a CAGR of 6-8% from FY '23 to' 25, compared to an 8-9% CAGR over the previous five years (FY '18 to '23). As more companies outsource their development and manufacturing activities to CDMOs to meet export demands, this segment in India will grow. Additionally, Covid-19 vaccine development presents opportunities for CDMOs to partner strategically with pharmaceutical companies in vaccine development and manufacturing processes.

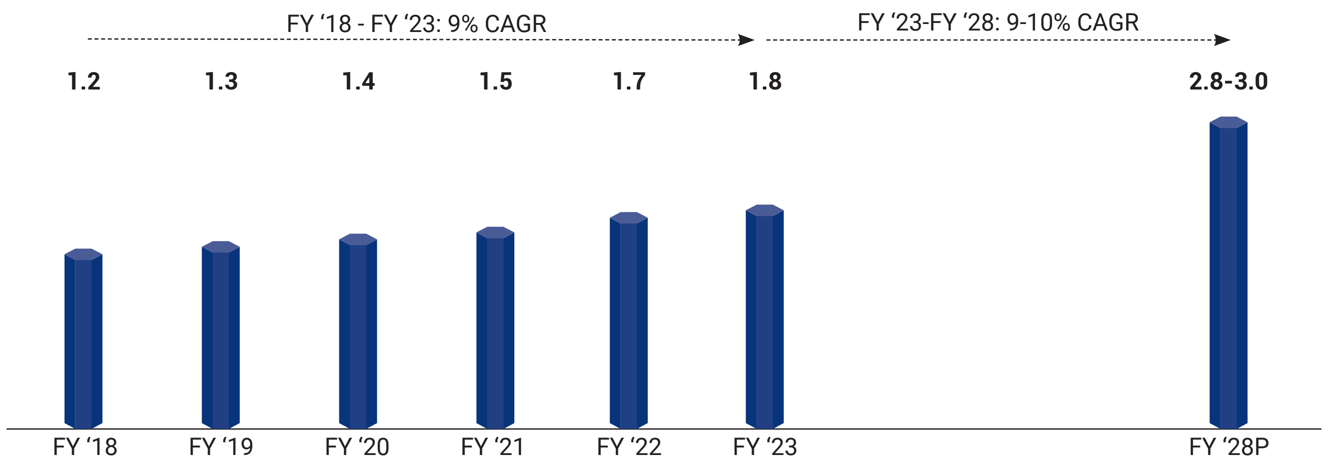
High ANDA Approval Share

India leads in ANDA approvals, which positions the country well to address the growing generic drugs market in the US. The decline in ANDA approvals in 2021 led to lower new launches and pricing pressure on existing products. Despite this, the share of Indian players in total ANDA approvals recovered in 2022. This share is expected to increase in the medium term, with new product launches helping to alleviate pricing pressure.

Indian Domestic Formulation market

Thriving on a wave of domestic demand, India's formulation market is poised for sustained growth. Capturing roughly 2-3% of the global pharmaceutical market share in FY '23, this segment has witnessed an impressive 9% CAGR between FY '18 and 2023. This momentum is expected to continue, with projections indicating a CAGR of 9-10% over the next five years. By FY '28, the market is anticipated to reach a robust ₹ 2.8-3.0 trillion, due to rise in chronic diseases, growing healthcare awareness, and improved access to quality medical care.

Review and Outlook of Indian Domestic Formulation Market (₹ in trillion)



Notes: P-Projected

Source

(AIOCD AWACS, CRISIL MI&A Research)

Non-communicable diseases (NCDs) like heart disease, stroke, cancer, and diabetes are propelling the Indian pharmaceutical industry forward. The chronic segment is projected to expand at a 10-11% CAGR from FY '23 to FY '28. This growth is further amplified by a burgeoning population, leading to a naturally increasing demand for medications. India is poised to become a global leader in pharmaceutical spending in the coming years. Additionally, Government initiatives like the PLI scheme, which incentivizes domestic manufacturing of key ingredients, act as a tailwind for the industry's ascent.

Source

(AIOCD AWACS, CRISIL MI&A Research)

Government Enhances Domestic Pharmaceutical Manufacturing with PLI Scheme

PLI for APIs

Scheme Duration: FY '21 to FY '30
Financial Allocation: ₹ 69.40 billion

The incentive scheme targets 41 key products, encompassing 53 critical APIs. Incentives will be provided on the incremental sales of eligible products manufactured in India for a span of six years. The incentive rates are set at 10% for the initial four years, 8% for the fifth year, and 6% for the sixth year on the sales of qualifying products.

Establishment of Bulk Drug Parks

Scheme Duration: FY '21 to FY '25
Financial Allocation: ₹ 30 billion

The scheme aims to establish three bulk drug parks across the country, equipped with common facilities like solvent recovery plants, distillation units, power and steam units, and common effluent treatment plants (ETPs). The grant-in-aid will cover 90% of the project cost for northeastern and hilly states and 70% for other states.

PLI-2

In March 2021, the Government of India extended the PLI scheme to include formulations, along with APIs and key starting materials listed under the previous notification.

Scheme Duration: FY '21 to FY '29
Financial Allocation: ₹ 150 billion

This scheme applies to 41 identified products, covering 53 APIs, drug intermediates, and key starting materials. Incentives will be provided on the incremental sales of eligible products manufactured in India for six years, with rates of 10% for the first four years, 8% for the fifth year, and 6% for the sixth year. Additionally, the scheme offers a 10% incentive on eligible sales of formulations for six years for each participant. Participants not covered under the first scheme may avail themselves of the second scheme.

Source

(CRISIL MI&A Research)

Company Overview

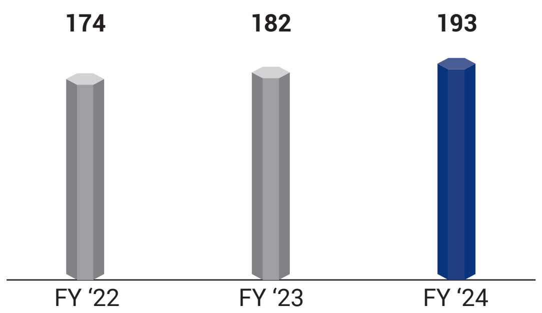
As a leading integrated pharmaceutical company in India, Innova Captab Limited (referred to as 'Innova', 'our Company' or 'the Company') plays a vital role across the entire pharmaceutical value chain, including R&D, manufacturing, drug distribution, marketing, and exports. The Company's commitment to excellence is reflected in its impressive achievements. Our CDMO business stands out as one of the top performers, demonstrating strong operating revenue, robust profit margins, and high returns on capital employed.

The Company's extensive reach and high client satisfaction are reflected in its service to 182 and 193 CDMO customers in FY '23 and FY '24, respectively. Its diverse portfolio of over 600 generic products is marketed through a robust network of approximately 5,000 distributors and 150,000 retail pharmacies in India.

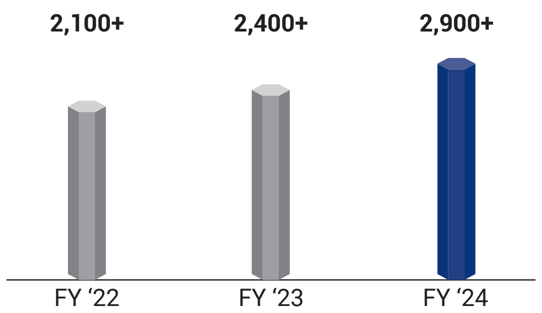
Additionally, Innova's international presence is expanding rapidly, with exports to 25 countries in FY '24. The Company's commitment to innovation is underscored by its dedicated R&D laboratory and its forthcoming facility in Jammu. These initiatives reflect Innova's continuous pursuit of excellence and growth in the pharmaceutical industry. Notably, the recent acquisition of Sharon Bio-Medicine Limited has strengthened the Company's formulation manufacturing capabilities along with the addition of API manufacturing, further enhancing its competitiveness and product portfolio.

Through these strategic initiatives, Innova reaffirms its commitment to driving sustainable growth and delivering value to stakeholders while advancing its mission of enhancing global healthcare outcomes.

No. of CDMO Customers



No. of Products



Innova's Portfolio

CDMO Services and Products

Innova's CDMO division specializes in the commercial large-scale manufacturing of generic products, tailored to meet the unique needs of its clients. The Company procures APIs and other necessary materials from both domestic and international suppliers, ensuring adherence to stringent quality standards. With a diverse portfolio of formulation capabilities, it offers various dosage forms, including oral solids, oral liquids, dry syrups, and injectables, alongside more complex delivery systems like modified and sustained release formulations. Leveraging cutting-edge technologies such as nano-technology, Innova aims to deliver high-quality, efficacious generic products to its customers.

Domestic Branded Generics

In its domestic branded generics business, Innova markets and distributes generic formulation products under its own brand names within India. With a strategic focus on addressing the country's demand for affordable and quality medicines, the Company offers a wide range of dosage forms, including oral solids, liquids, syrups, and injectables, catering to various healthcare needs. Branded generics, which are generic copies of original drugs with new brand names, play a crucial role in providing cost-effective alternatives to patients, contributing significantly to the Indian pharmaceutical market's growth.

International Branded Generics

Expanding its footprint beyond domestic borders, Innova's international branded generics business focuses on emerging and semi-regulated markets worldwide. The Company exports branded generic products to numerous countries, with a strategic emphasis on penetrating regulated markets like the UK and Canada. With active product registrations and ongoing registration applications with international authorities, Innova is committed to providing high-quality generic pharmaceuticals globally, catering to diverse patient populations and healthcare systems.

Sharon Bio-Medicine

The recent acquisition of Sharon Bio-Medicine Limited marks a strategic milestone in the Company's expansion journey, particularly in the API segment. With Sharon's robust manufacturing capabilities and diverse portfolio of APIs and intermediates, Innova is poised to significantly enhance its presence and competitiveness in key therapeutic areas such as cardiovascular, antifungal, antidiabetic, muscle relaxant, analgesic, antipyretic, NSAID and antipsychotic medications. By integrating Sharon's API products, including Eperisone Hydrochloride, Trimetazidine Hydrochloride, Miconazole Nitrate, Ketoconazole, Trazadone, Glimepiride and Nifedipine, into Innova's existing offerings, the Company aims to broaden its product portfolio and strengthen its foothold in the pharmaceutical market.

This strategic acquisition aligns seamlessly with the Company's growth strategy, complementing its value chain, enabling it to leverage synergies, optimize its supply chain efficiency, and capitalize on emerging market opportunities, both domestically and internationally. Through this acquisition, Innova reaffirms its commitment to driving sustainable growth and delivering value to its stakeholders while advancing its mission of enhancing global healthcare outcomes.

Financial Performance (On a Consolidated Basis)

In the transition from FY '23 to FY '24, Innova Captab exhibited substantial financial growth, underscoring its strong market position and operational efficiency. The company's revenue from operations rose from ₹ 9,263.80 million in FY '23 to ₹ 10,813.05 million in FY '24, reflecting a significant increase that highlights the company's ability to scale its business effectively. More than 80% of this revenue was driven by a client base that has been associated with the company for over five years, demonstrating the strength of its long-term relationships. Profit After Tax (PAT) also saw a notable rise, increasing from ₹ 679.54 million in FY '23 to ₹ 943.45 million in FY '24. This growth was accompanied by an improvement in the EBITDA margin, which went from 13.26% in FY '23 to 15.44% in FY '24, indicating enhanced profitability. Innova Captab maintained strong financial metrics, and with ongoing investments such as Jammu plant, company is poised to demonstrate its capacity to drive value creation while continuing its growth trajectory.

Particulars	FY '22	FY '23	FY '24
Revenue from operations (₹ in million)	8,005.26	9,263.80	**10,813.05**
EBITDA (₹ in million)	989.03	1,228.45	**1,669.42**
EBITDA Margin	12.4%	13.3%	**15.4%**
PAT (₹ in million)	639.53	679.54	**943.45**
PAT Margin	8.0%	7.3%	**8.7%**
Sales of Goods and Services outside India: As a Percentage of Revenue from Operations	9.6%	8.7%	**22.7%**
ROE	30.7%	24.6%	**11.4%[1]**
ROCE[1]	23.5%	22.6%	**14.3%[1]**
Fixed Asset Turnover Ratio[1]	5.1	5.4	**1.7[1]**
Working Capital Days	99	99	**84**

[1]ROCE/ROE and Fixed Asset Turnover ratio is lower due to additional investment in Jammu plant and higher capital base due to IPO in Dec'23

Research & Development and Greenfield Expansion

At the heart of Innova Captab's operations is its dynamic in-house R&D division, which is pivotal to its innovation efforts. Based in Baddi, Himachal Pradesh, this division is complemented by state-of-the-art laboratories and pilot equipment that drive product development. Recognized by the Department of Scientific and Industrial Research (DSIR), the R&D team, consisting of over 35 scientists and engineers, is further expanding with a new hub in Panchkula, Haryana. This expansion underscores Innova's commitment to capturing early development and manufacturing opportunities by attracting top experts in formulation and analytical method development.

In line with our growth strategy, we are set to elevate our production capabilities with the construction of a new manufacturing unit in Jammu. This advanced facility will significantly bolster our capacity in producing a diverse array of products, including Cephalosporin, Penicillin, Penum, and BFS. It will support the manufacturing of oral solid dosages, dry powder injectables, dry syrups, large and small volume parenterals, and respiratory respule products. We anticipate leveraging the New Central Sector Scheme for Industrial Development of Jammu & Kashmir, which offers substantial benefits such as GST incentives, capital interest subvention, and other valuable incentives provided by the Government of India.

Harnessing its robust R&D prowess and expanding manufacturing capabilities, Innova Captab continues to push the boundaries of innovation, exemplified by our advancements in immediate release formulations, supra bioavailability capsules, and nano-sized formulations. Additionally, our expertise in managing CDMO and loan license projects highlights our unwavering dedication to leading the pharmaceutical industry forward.

Information Technology

Innova's strong IT infrastructure forms the cornerstone of its operational capabilities, seamlessly integrating into the Company's daily activities. Guided by its meticulous IT policies, the Company's dedicated IT mavens orchestrate the creation and upkeep of enterprise information systems finely tuned to the Company's unique business cadence.

Innova's top priority is strengthening its enterprise with strict protocols to protect data confidentiality and ensure equipment health. Within this digital fortress, Innova harnesses the power of cutting-edge solutions such as SAP ERP and quality control laboratory information management systems. This paves the way for streamlined operations and paperless workflows.

With a deep focus on information security, Innova has erected bulwarks of defense, complete with standardized procedures for data recovery and routine backups, shielding the Company from the specter of potential disasters. These proactive measures stand as a testament to the Company's unwavering dedication to operational excellence and the guardianship of its invaluable business assets.

Environment, Health, and Safety

As a company entrenched in the Indian landscape, Innova upholds a steadfast commitment to adhere to the rigorous tapestry of national, regional, and state regulations governing environmental, health, and safety. These mandates form the guiding light illuminating various facets of the Company's manufacturing operations, encompassing everything from air and water discharge to noise levels, hazardous substance handling, and employee well-being.

Embracing this regulatory framework, Innova pledges to uphold the quality, safety, and health of its products and manufacturing processes, diligently aligning with statutory provisions. Through methodical risk analysis and comprehensive training initiatives, the Company arms its management and workforce with the tools to mitigate accidents and safeguard against occupational health hazards.

Embedded within the Company's ethos is a robust health and safety policy, intricately woven to nurture a secure work environment, champion sound manufacturing practices, and perpetually refine processes and products to stave off pollution and accidents. Its manufacturing facilities are fortified with ETPs, standing as bulwarks against environmental contamination and pollution, meticulously in step with prevailing laws.

Beyond compliance, Innova champions the well-being of its employees, enveloping them in a cocoon of care. From comprehensive health and safety policies to dedicated resources fostering wellness, the Company pledges its unwavering support to their holistic well-being. Amid the ongoing pandemic, the Company has bolstered its defenses, implementing additional security measures to ensure the continued health and safety of its invaluable workforce.

Risk Management

The Company has laid down a well-defined Risk Management Policy and Business Continuity Plan to:

- Identify the Risk
- Assess the Risk
- Measure and Control
- Continuous Assessment
- Risk Mitigation Process

A detailed exercise is carried out by the Business Continuity Management (BCM) designated by the Board to identify, evaluate, manage and monitor both business and non-business risk. In this regard, the Company continues to exercise prudence on its Strategic Risks, Regulatory Risks, Legal Risks, Secretarial & Compliance Risks, Financials Risks, Operational Risks, People Risks along with some other risk which might affect business operation. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. A copy of the risk management policy is placed on the Company's website at: www.innovacaptab.com and can be accessed at POLICY FOR RISK MANAGEMENT.pdf (innovacaptab.com).

The following are the key risks faced by the Company and mitigation plans for each of those risks:

Risk	Mitigation Plan
Competition & Supplier Risk	Our Company is focused on building economies of scale, into the business. Our Company has strengthened our business' long-term relation with customers. Innova has developed alternative suppliers to safeguard the raw material supply chain.
Regulatory & Secretarial Compliance Risks	Our Company has framework in place to timely comply with the regulatory & secretarial compliances.
Legal Risks	Our legal and compliance team is dedicated to ensuring strict adherence to all relevant regulations. In close collaboration with the Board of Directors and senior management, they work tirelessly to uphold these regulatory standards. Additionally, the company is in the process of implementing advanced compliance management software, further strengthening our commitment to regulatory excellence.
Financials Risks	Our Company has a robust strategy and framework in place to ensure timely compliance with all applicable acts, statutes, and internal controls over financial reporting.
Operational Risks	All of the Company's facilities adhere to GMP standards. Additionally, Innova's R&D team conducts rigorous checks to ensure that the quality and efficacy of its products meet customer standards.

Corporate Social Responsibility

Innova's esteemed Board of Directors has instituted a dedicated Corporate Social Responsibility (CSR) Committee, comprising three distinguished Directors. Guided by the visionary leadership of this committee, the Company has embarked on a journey of meaningful impact, channeling its resources towards a plethora of noble causes.

Innova's CSR endeavors have left an indelible mark across various fronts, notably in healthcare, where the Company actively contributes to ensure that the people living in local areas around business operations lead a good quality life. Towards achieving long-term stakeholder value, the Company shall always continue to respect the interests of and be responsive towards key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and the marginalized.

Beyond these endeavors, Innova has stood shoulder to shoulder with socially and economically disadvantaged groups, offering a helping hand on their journey towards empowerment. Moreover, the Company's commitment to grassroots development shines brightly through its support for rural sports, uplifting communities, and fostering a spirit of camaraderie.

These endeavors are a testament to Innova's unwavering dedication to catalyzing positive change within the communities it proudly serves. With each initiative, the Company reaffirms its pledge to be the agent of progress, enriching lives and spreading hope far and wide.

Human Resources

Innova's dedicated team of 1,252 employees as of 31 March 2024 (on a standalone basis) embodies a tapestry of talents, each valued for their unique contributions. Within the walls of its manufacturing facilities, the Company cultivates a harmonious work environment, where mutual respect and collaboration flourish. This is a testament to the Company's dedication to fostering constructive labor relations.

Guided by a comprehensive SOP, Innova's recruitment process ensures that the Company welcomes aboard individuals brimming with talent and equipped with the requisite skills and expertise. Innova recognizes that investing in employee development is of paramount importance; their proficiency, problem-solving prowess, and knowledge are the cornerstones of upholding its standards of quality, productivity, and safety.

In line with the Company's commitment to providing a safe and nurturing workplace, Innova persistently endeavors to enhance the well-being and job satisfaction of its esteemed workforce. Each stride the Company takes is a reaffirmation of its pledge to employees' welfare and their collective journey towards excellence.

Internal Control Systems

Innova boasts robust internal financial control systems across all operational domains. The Board of Directors has diligently crafted and embraced policies and procedures to ensure the smooth and effective conduct of business affairs. These encompass adherence to the Company's policies, safeguarding of assets, and vigilance against fraud and errors, thus ensuring the integrity and completeness of its accounting records, along with the timely preparation of accurate financial information.

To bolster its internal expertise, Innova periodically engages both internal and external auditors, enriching its insights and resources. The Company's commitment to excellence is evident in its ongoing efforts to refine its systems, aligning them with industry best practices. Reports and deviations are meticulously reviewed and deliberated upon with members of the various Committees of the Board of Directors, with prompt action taken as deemed necessary.

Cautionary Statement

The financial statements appearing above are in conformity with the accounting principles generally accepted in India. The statements in the Management Discussion and Analysis Report, which may be considered 'forward-looking', within the meaning of applicable laws and regulations, have been based on current expectations and projections about future events. The actual results could differ from those expressed or implied. Important factors that could influence the Company's operations include global geopolitical shifts, economic developments within the country, demand and supply conditions in the industry, input prices, changes in Government regulations, tax laws and other factors, such as industrial relations. The Management cannot, however, guarantee that these 'forward-looking' statements will be realized or achieved

Directors' Report

Dear Members,

The Board of Directors ("the Board") of the Company is pleased to present the 20th Annual Report of Innova Captab Limited ("the Company" or "ICL") along with the Audited (Standalone and Consolidated) Financial Statements for the Financial Year ("FY") ended 31 March 2024 (hereinafter referred as "FY 2024" or "during the year"). This is the first annual report after the Initial Public Offering ("IPO") of the Company. The Board appreciates and is thankful for the continued support of all the shareholders throughout the journey of the Company from incorporated as private limited company, conversion into public limited company and now as a listed company.

1. FINANCIAL PERFORMANCE

The audited financial statements of the Company for FY 2024 are prepared in accordance with the relevant applicable Indian Accounting Standards ('Ind AS') and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The table below sets forth the key financial parameters of the Company's performance during the year under review:

(₹ in million)

Particulars	Standalone		Consolidated	
	FY 2024	FY 2023	FY 2024	FY 2023
Revenue from Operations	8,649.29	8,586.73	10,813.05	9,263.80
Other Income	107.18	87.34	124.89	91.98
Total Income	**8,756.47**	**8,674.07**	**10,937.94**	**9,355.78**
Total Expenses	7,819.49	7,891.00	9,642.65	8,437.83
Profit before tax	**936.98**	**783.07**	**1,295.29**	**917.95**
Total Tax expenses	255.37	207.55	351.84	238.41
Profit for the year	**681.61**	**575.52**	**943.45**	**679.54**

2. REVIEW OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS

The Company's revenue from operations has grown at a healthy rate of ~38% CAGR over the past 3 years and the CDMO business continues to attract considerable interest. While the demand remains robust, the decline in API prices negatively affected business performance as compared to FY 2023. During FY 2024, we have 190+ CDMO customers with revenue from CDMO business contributed nearly 58%. The performance of the domestic generic business has improved, supported by a steadily growing Pan India network of distributors, stockists and pharmacies. The domestic branded generic business contributed approximately 18% to our revenue in FY 2024.

During FY 2024 The Company's international branded generic business is primarily focused on export to emerging and semi-regulated international markets with a growing presence in regulated markets such as the UK and Canada. The Company had exported its branded generics to 25 countries. Revenue from this segment contributed approximately 11% in FY 2024.

The Company had acquired Sharon Bio-Medicine Limited ("Sharon") through CIRP process in June 2023. Sharon has strong CDMO formulation manufacturing capabilities including API manufacturing and it caters majorly to international markets including Canada, UK, Europe, Australia, Korea and Vietnam. Revenue contribution from this business is nearly 13%.

Standalone Performance

During the year under review, on standalone basis revenue from operations was ₹ 8,649.29 million in FY 2024 which was 0.73% higher than the revenue of ₹ 8,586.73 million in FY 2023. This growth was influenced by price adjustments of the products under the cost-plus model and the prevailing API prices. The profit before tax for FY 2024 was at ₹ 936.98 million with a profit for the year of ₹ 681.61 million. In Comparison, FY 2023 reported a profit before tax of ₹ 783.07 million and a profit for the year of ₹ 575.52 million.

Consolidated Performance

During the year under review, on consolidated basis revenue from operations was of ₹ 10813.05 million in FY 2024 which was 16.72 % higher than the revenue of ₹ 9,263.80 million in FY 2023. The profit before tax for the FY 2024 was ₹ 1295.29 million with a profit for the year was ₹ 943.45 million. In comparison, FY 2023 reported a profit before tax of ₹ 917.95 million and profit for the year of ₹ 679.54 million.

3. TRANSFER TO RESERVES:

During FY 2024, the Company has not transferred any amount to Reserves. The Board of Directors has decided to retain the entire amount of profit for FY 2024 and re-invest the profits back into the Company to support its growth objectives.

4. DIVIDEND:

In order to conserve the resources for the future business requirements of the Company, the Directors have decided not to recommend any dividend for the FY 2024.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company is not required to transfer any amount of unpaid/unclaimed dividend or any other amount to the Investor Education and Protection Fund during the year under review.

6. SHARE CAPITAL:

As on 31 March 2024, the Authorised Share Capital of the Company is ₹ 660,000,000.00(Rupees Six Hundred Sixty million Only) consisting of:

1. 64,000,000 (Sixty Four million) Equity Shares of ₹ 10.00 each and
2. 2,000,000 (Two million) Preference Shares of ₹ 10.00 each

Paid up share capital of the Company is ₹ 572,249,290.00 (Rupees Five Hundred Seventy Two Million, Two Hundred Forty Nine Thousand and Two Hundred Ninety only) divided into 57,224,929 equity shares of face value of ₹ 10.00 each.

During the Financial Year, following changes have occurred in the Capital Structure of the Company:

Particulars	No. of shares		Cumulative outstanding share capital (face value of ₹ 10/- each)	
	Equity	Preference	Equity	Preference
Share Capital at the beginning of the year, i.e. 01 April 2023	48,000,000	1,412,430	₹ 480,000,000	₹ 14,124,300.00
Conversion of Compulsorily Convertible Preference Shares into Equity Shares	1,412,430*	(1,412,430)	₹ 14,124,300.00	(₹ 14,124,300.00)
Issuance of Equity Shares through private placement basis	669,642**	0	₹ 6,696,420	0
Fresh issue of Equity Shares of fully paid-up pursuant to Initial Public Offer	7,142,857***	0	₹ 71,428,570	0
Share Capital at the closing of the year i.e. 31 March, 2024	57,224,929	0	₹ 572,249,290	0

***Conversion of Compulsorily Convertible Preference Shares into Equity Shares**

Cumulative Compulsorily Convertible Preference Shares ("CCCPS") which was issued to UTI Multi Opportunities Fund I through private placement basis consisting 1,412,430 (One Million, Four Hundred Twelve Thousand and Four Hundred Thirty only) Cumulative Compulsorily Convertible Preference Shares ("CCCPS") of face value of ₹ 10 each at an issue price of ₹ 354.00 (including premium of ₹ 344.00) per share aggregating to ₹ 500,000,220.00 (Rupees Five Hundred Million and Two Hundred Twenty only) was converted into fully paid up Equity Shares of ₹ 10.00 each ("Converted Equity Shares") viz. in the ratio of 1:1 vide Board resolution dated 01 December, 2023.

****Issuance of Equity Shares through private placement basis:**

The Shareholders at the Extra-Ordinary General meeting held on 01 December, 2023 approved the issuance of 669,642 (Six Hundred Sixty Nine Thousand and Six Hundred Forty Two) equity shares of face value of ₹ 10.00 (Rupees Ten only) each at an issue price of ₹ 448.00 (Rupees Four Hundred Forty Eight only) per share (including premium of ₹ 438.00) aggregating to ₹ 299,999,616.00 (Rupees Two Hundred Ninety Nine Million, Nine Hundred Ninety Nine Thousand and Six Hundred Sixteen only) in one or more tranches, on a private placement basis to 360 ONE Special Opportunities Fund - Series 9 and 360 ONE Special Opportunities Fund - Series 10.

*****Fresh issue of Equity Shares pursuant to Initial Public Offer.**

During the FY 2024, the Company had issued and allotted 7,142,857 Equity Shares of ₹ 10.00 each, at an issue price of ₹ 448.00 per fully paid-up equity share (including a premium of ₹ 438.00 per equity share) pursuant to Initial Public Offer as approved by the Board of Directors in their meeting held on 27 December 2023.

The funds received pursuant to Public Issue, have been utilised for the objects stated in the prospectus.

7. LISTING OF EQUITY SHARES OF THE COMPANY:

During the period under review, the Company got listed on stock exchange(s) through Initial Public Offer ("IPO") for total 12,723,214 Equity Shares aggregating to ₹ 5,700.00 million (Rupees Five Thousand and Seven Hundred million), which comprises :

a. Fresh Issue of 7,142,857 (Seven Million, One hundred Forty Two Thousand and Eight Hundred Fifty Seven) Equity Shares of ₹ 10.00 each aggregating to ₹ 3,200.00 million (Rupees Three Thousand and Two Hundred million) and

b. Offer for Sale (OFS) of 5,580,357 (Five Million, Five Hundred Eighty Thousand and Three Hundred Fifty Seven) Equity Shares of ₹ 10.00 each aggregating up to ₹ 2500.00 million (Rupees Two Thousand and Five Hundred million).

The issue price was ₹ **448.00 (Rupees Four Hundred and Forty-Eight only)** per share including the premium of ₹ **438.00 (Rupees Four Hundred and Thirty-Eight only)** per equity share.

The above-said equity shares were allotted in the following manner: -

Sl. No	Category of Investor	Type of Share	No. of shares allotted
1	Anchor Investors	Equity	3,816,963
2	Qualified Institutional Buyers (except Anchor Investors);	Equity	2,544,643
3	Non-Institutional Bidders;	Equity	1,908,483
4	Retail Individual Bidders.	Equity	4,453,125

The Company's equity shares were listed on the Stock Exchanges viz., National Stock Exchange of India Limited and BSE Limited w.e.f. 29 December 2023

8. DETAILS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

As on 31 March 2024, the Company had 3 subsidiaries and there has been no material change in the nature of business of the subsidiaries.

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of Companies (Accounts of Companies) Rules, 2014, a statement containing the salient features of Financial Statements of the Company's subsidiary(s) in Form No. AOC-1 is appended as **Annexure A** to the Board's Report.

The Company has formulated a Policy for Determining Material Subsidiaries. The policy is available on the Company's website and can be accessed at https://www.innovacaptab.com/PDF/Policy%20determining%20material%20Subsidiaries.pdf

Further, pursuant to the provisions of Section 136 of the Act, the Standalone and Consolidated Financial Statements of the Company along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at https://www.innovacaptab.com/investor-relations.php

9. ACQUISITION OF SHARON BIO-MEDICINE LIMITED

The Company submitted a Resolution Plan on 22 August 2022 ("Resolution Plan") for acquisition of Sharon Bio-Medicine Limited ("SBML"). This Resolution Plan was approved by the Committee of Creditors of SBML on 17 November 2022 and subsequently by the Hon'ble National Company Law Tribunal, Mumbai on 17 May 2023. A copy of the Resolution Plan approval order is available on SBML's website.

As a part of the Resolution Plan, the entire acquisition of Sharon Bio-Medicine Limited("SBML") was executed through Univentis Medicare Limited, ("UML") a Wholly Owned Subsidiary of the Company. Consequently, UML has acquired 100% stake in SBML w.e.f. 30 June 2023. As on the date of this report, SBML is the wholly owned subsidiary of the UML. SBML has strong CDMO formulation manufacturing capabilities including API manufacturing and it caters majorly to international markets including Canada, UK, Europe, Australia, Korea and Vietnam.

10. CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY:

During the year under review, there was no change in the nature of business of the Company.

11. PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014. As on 31 March 2024, there were no deposits lying unpaid or unclaimed.

12. CREDIT RATING:

The Company's financial discipline and prudence is reflected in the strong credit ratings by rating agencies. The details of credit ratings are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

1. Board of Directors

The composition of the Board is in conformity with Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 which, inter alia, stipulates that the Board should have an optimum combination of Executive and Non-Executive directors. The composition of Board of Directors are as follows:

Name of the Director	Designation
Mr. Manoj Kumar Lohariwala	Chairman & Whole Time Director
Mr. Vinay Kumar Lohariwala	Managing Director
Mr. Jayant Vasudeo Rao	Whole Time Director
Mr. Archit Aggarwal	Non-Executive - Non-Independent Director
Mr. Sudhir Kumar Bassi	Non-Executive - Independent Director
Ms. Priyanka Dixit Sibal	Non-Executive - Independent Director
Mr. Mahendar Korthiwada	Non-Executive - Independent Director
Mr. Shirish Gundopant Belapure	Non-Executive - Independent Director

The Board of Directors of the Company is led by the Chairman and comprises of 8 (Eight) Directors, consisting of 2 (Two) Whole-Time Directors, 1 (One) Managing Director, 4 (Four) Non-Executive Independent Directors including 1(One) Women Director and 1 (One) Non-Executive Non-Independent Director.

The details of the Board and committee composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of the Annual Report.

Pursuant to the provisions of Section 149 of the Act and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Independent Directors have submitted declarations stating that each of them fulfils the criteria of independence as provided in Section 149(6) of the Act along with rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board, the Independent Directors are competent, experienced, proficient and possess the necessary expertise and integrity to discharge their duties and functions as Independent Directors. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

None of the Company's directors are disqualified from being appointed as a director as specified in Section 164 of the Act. All Directors have further confirmed that they are not debarred from holding the office of a director under any order from SEBI or any other such authority.

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Manoj Kumar Lohariwala (DIN:00144656), Whole Time Director of the Company, retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible, has offered himself for re-appointment. In compliance with Secretarial Standards-2, the brief resume, expertise, and other details of Mr. Manoj Kumar Lohariwala is given in the notice convening the AGM. Based on the recommendations of the Nomination and Remuneration Committee of the Company, the Board has recommended his reappointment as Director at the ensuing AGM.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, reimbursement of expenses incurred by them for the purpose of attending meetings of the Board and its Committees or other Company events and any other transactions as approved by the Audit Committee or the Board which are disclosed under the Notes to Accounts. For more details about the directors, please refer to the Corporate Governance Report.

2. **Change in Key Managerial Personnel:**

During the year under review there are following changes in Key Managerial Personnel:

Name of the Key Managerial Personnel	Designation	Nature of Change	Effective Date
Mr. Rishi Gupta*	Chief Financial Officer	Demise	26 April 2023
Mr. Lokesh Bhasin	Interim Chief Financial Officer	Appointment	23 May 2023
Mr. Mukeshkumar Siyaram Singh	Key Managerial Personnel	Appointment	30 June 2023
Mr. Lokesh Bhasin**	Interim Chief Financial Officer	Cessation	12 August 2023
Mr. Gaurav Srivastava	Chief Financial Officer	Appointment	12 August 2023
Mr. Gaurav Srivastava	Chief Financial Officer	Cessation	29 March 2024
Mr. Lokesh Bhasin	Chief Financial Officer	Appointment	30 March 2024

*Mr. Rishi Gupta had an untimely demise on 26 April 2023.

**Mr. Lokesh Bhasin resigned as Interim Chief Financial Officer of the Company w.e.f. 11 August 2023 and has continued to be in employment of the Company as Deputy Chief Financial Officer.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on the date of this report are:

Name of the Key Managerial Personnel	Designation
Mr. Manoj Kumar Lohariwala	Chairman & Whole Time Director
Mr. Vinay Kumar Lohariwala	Managing Director
Mr. Jayant Vasudeo Rao	Whole Time Director
Mr. Lokesh Bhasin	Chief Financial Officer
Mr. Mukeshkumar Siyaram Singh	Key Managerial Personnel
Ms. Neeharika Shukla	Company Secretary & Compliance Officer

14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Nomination and Remuneration policy of the company for appointment and remuneration of Directors, Senior Management Personnel including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 is available on the Company's website at https://www.innovacaptab.com/PDF/Nomination%20&%20Remuneration.pdf

15. PARTICULARS OF REMUNERATION:

The percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel ("KMP") (as required under the Act) to the median of employees' remuneration, as required under Section 197 of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexure-B** of this report.

16. HUMAN RESOURCES AND EMPLOYEE RELATIONS

The number of employees in the Company as on 31 March 2024 was 1,252. The Company places great emphasis on ensuring gender diversity within the organization. As at the year-end, 3.91% of the employees were female. The Company is putting in efforts in this aspect to reach an optimum gender ratio.

The Company is committed to maintaining a high level of compliance with the applicable labour laws and has implemented various policies and process to ensure timely completion of all periodic labour compliances and for monitoring and maintaining the status of compliances on an on-going basis.

The Company is also pleased to announce that it has implemented various initiatives for the benefit of its employees, such as time boxing, clear agendas for each meeting, written notes for each meeting item, milestone /stage based project management, and leverage automation to streamline operations, and well-being initiatives (health & fitness initiatives, employee engagement activities, work-life balance via streamlined work timings, monthly satisfaction surveys, employee training & skill enhancement, and rewards & recognition / belongingness).

17. ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and administration) Rules, 2014, a copy of the Annual Return is available on Company's website at https://www.innovacaptab.com/investor-relations.php#fin-inf-id.

18. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013 the Board of Directors state and confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board meets at regular intervals to discuss and decide on Company's business policy and strategies apart from other urgent business matter.

During the year under review, Fourteen (14) meetings of the Board of Directors were convened. The intervening gap between two consecutive meetings was within the maximum period mentioned under Section 173 of the Companies Act, 2013, Secretarial Standards on Board Meetings and SEBI LODR as amended from time to time. Detailed information on the meetings of the Board is included in the Corporate Governance Report which forms part of the Annual Report.

20. ANNUAL EVALUATION OF PERFORMANCE BY THE BOARD, ITS COMMITTES AND OF INDIVIDUAL DIRECTORS:

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board along with performance evaluation of each Director to be carried out on an annual basis. The performance evaluation was carried out by the Nomination and Remuneration Committee in its meeting held on 27 March 2024.

The evaluation was conducted via a questionnaire containing qualitative questions, with responses provided on a rating scale. Evaluation was based on criteria such as the composition of the Board and its Committees, their functioning, communication between the Board, its committees and the management of the Company, and performance of the Directors and Chairperson of the Board based on their participation in effective decision making and their leadership abilities.

21. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the code of Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 31 March 2024 to review, among other things, the performance of non-Independent Directors and the Board as a whole, evaluation of the performance of the Chairman and the flow of communication between the Board and the management of the Company.

22. COMMITTEES OF THE BOARD:

During the year under review, there were no change in the composition of the Committees of the Board. During FY 2024, the following are the Committees of the Board:

a. Audit Committee

b. Nomination and Remuneration Committee

c. Corporate Social Responsibility Committee

d. Stakeholders Relationship Committee

e. Risk Management Committee

f. IPO Committee

Directors' Report (Contd.)

The composition of various Committees and meetings held is detailed below:

a. Audit Committee:

The Audit Committee is duly constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.The Audit Committee met Ten (10) times during the FY 2024.

The Company Secretary of the Company acts as a Secretary to the Committee.

The details, including composition of the Audit Committee, terms of reference, attendance etc., are included in the Corporate Governance Report, which is a part of this Report.

During the year under review, the Board has accepted all recommendations of the Audit Committee and accordingly, no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

b. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is duly constituted in accordance with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee met Four (4) times during the FY 2024. The Company Secretary of the Company acts as a Secretary to the Committee.

The details, including composition of the Nomination and Remuneration Committee, terms of reference, attendance etc., are included in the Corporate Governance Report, which is a part of this Report.

c. Corporate Social Responsibility ("CSR") Committee:

The Corporate Social Responsibility ("CSR") Committee is duly constituted in accordance with the provision of Section 135 of the Companies Act, 2013. The Corporate Social Responsibility Committee met Two (2) times during the FY 2024. The Company Secretary of the Company acts as a Secretary to the Committee.

The details, including composition of the Corporate Social Responsibility Committee, terms of reference, attendance etc., are included in the Corporate Governance Report, which is a part of this Report.

d. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee was duly constituted as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders Relationship Committee met One (1) time during the FY 2024. The Company Secretary of the Company acts as a Secretary to the Committee.

The details, including composition of the Stakeholders Relationship Committee, terms of reference, attendance etc., are included in the Corporate Governance Report, which is a part of this Report.

e. Risk Management Committee:

The Risk Management Committee was duly constituted pursuant the provisions of the Companies Act, 2013 and Regulation 21 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Risk Management Committee, met Two (2) times during the FY 2024

The Company Secretary of the Company acts as a Secretary to the Committee.

The Company has a well-defined risk management policy and framework which sets out the objectives and elements of risk management within the Company and helps to promote risk awareness across the organisation and integrate risk management within the corporate culture. The Risk Management Policy inter-alia includes well defined risk management roles within the Company, risk appetite and risk tolerance capacity of the Company, identification and assessment of the likelihood and impact of risk, risk handling and response strategy and reporting of existing and new risks associated with the Company's activities in a structured manner. This facilitates timely and effective management of risks and opportunities and achievement of the Company's objectives.

The Board, the Audit Committee and the Risk Management Committee have the responsibility for overseeing all risks. The Risk Management Committee is, inter-alia, authorised to monitor and review the risk assessment, mitigation and risk management plans for the Company from time to time and report the existence, adequacy, and effectiveness of the above process to the Board on a periodic basis.

The details of composition of the Risk Management Committee, their terms of reference, meetings held and attendance of the Committee Members thereat during the financial year under review are provided in the section titled Report on Corporate Governance, which forms part of the Annual Report.

f. IPO Committee:

The IPO Committee was duly constituted by the Board of Directors of the Company on 09 May 2022, for the purpose of giving effect to the proposed initial public offering of the equity shares of the Company. The IPO Committee met Six (6) times during the FY 2024.The Company Secretary of the Company acts as a Secretary to the Committee.

The details, including composition of the IPO Committee, attendance are included in the Corporate Governance Report, which is a part of this Report. The IPO committee was dissolved by Board of Directors in their meeting held on 18 January 2024

23. AUDITORS:

Statutory Auditors and Statutory Auditor's Report:

M/s. B S R & Co. LLP, Chartered Accountants Firm Registration Number: 101248W/W-100022, were reappointed as Statutory Auditors of the Company, for a term of five consecutive years to hold office from the conclusion of 17th Annual General Meeting of the Company held on 30 November 2021 till the conclusion of 22nd AGM to be held in the Financial Year 2026 at such remuneration plus out of pocket expenses and applicable taxes, as may be mutually agreed between the Company and the Auditor.

Pursuant to Section 139 and 141 of the Act and relevant Rules prescribed thereunder, the Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company. There were no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditor in their Report. The Notes to the Financial Statements referred in the Auditors Report are self–explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditor's Report is enclosed with the Financial Statements in the Annual Report.

Cost Auditors:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain Cost Records and have them audited every year. Accordingly, the Company has made and maintained the cost accounts and records, as required.

Based on recommendation of the Audit Committee and approved by the Board, **M/s Gurvinder Chopra & Co.**, Cost Accountant, Firm Registration Number: 100260 appointed as the Cost Auditors of the Company to carry out audit of the cost records of the Company for the FY 2024.

The resolution seeking ratification of the remuneration to the said cost auditors for the FY 2025 is set out in the Notice calling the 20th Annual General Meeting of the Company. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment within the meaning of the said Act.

Secretarial Auditors and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, **M/s Jaspreet Dhawan & Associates**, Company Secretaries (FCS No. 9372, C.P. No. 8545, Peer Review S2009PB119300), were appointed as the Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company for FY 2024. The Secretarial Audit Report in the prescribed Form No. MR-3 of the Company and its material subsidiaries for the year ended 31 March 2024, is annexed as **"Annexure C"** and forms part of this report.

There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors of the Company in its Report.

Pursuant to master circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, issued by Securities and Exchange Board of India, the Company has obtained Annual Secretarial Compliance Report for the FY 2024, from M/s Jaspreet Dhawan & Associates, Company Secretaries on compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder and the copy of the same has been submitted to the Stock Exchanges on 27 May 2024.

Internal Auditors:

Pursuant to the provisions of Section 138 of the Companies Act, 2013, read with Companies (Accounts)

Rules, 2014, **M/s Goel Anish & Associates**, Chartered Accountants (Firm's Registration No. 036505N) were appointed as the Internal Auditors of the Company to conduct the Internal Audit for the FY 2024.

24. MAINTENENCE OF THE COST RECORDS:

For the FY 2024, the provisions of Cost Audit as specified by the Central Government under Section 148 of the Act read with the Rules framed thereunder, were applicable to the Company. As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company was required to maintain cost records for FY 2024 and accordingly, such accounts and records are maintained.

25. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS:

Pursuant to Section 143(12) of the Companies Act, 2013, during the year under review there were no frauds reported by the Statutory Auditors and Secretarial Auditors of the Company to the Audit Committee or the Board of Director Hence, there is nothing to report under Section 134(3) (ca) of the Companies Act, 2013.

26. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, is available as separate section of this annual report.

27. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT :

The Securities and Exchange Board of India ("SEBI"), in May, 2021, introduced new sustainability related reporting requirements to be reported in the specific format of Business Responsibility and Sustainability Report ("BRSR"). BRSR is a notable departure from the existing Business Responsibility Report ("BRR") and a significant step towards giving platform to the companies to report the initiatives taken by them in areas of environment, social and governance. Further, SEBI has mandated top 1,000 listed companies, based on market capitalization, to transition to BRSR from FY2023 onwards. BRSR report is available as separate section of this annual report.

28. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company Policies, safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Audit Committee evaluates the efficiency and adequacy of Financial Control system in the Company, its compliance with operating systems, accounting procedures at all locations of the Company and strives to maintain a high Standard of Internal Financial Control.

During the year under review, no material or serious observation has been received from the Auditors of the Company citing inefficiency or inadequacy of such controls. An extensive internal audit was carried out by M/s. Goel Anish & Associates, Chartered Accountants and post audit reviews were also carried out to ensure follow up on the observations made.

29. VIGIL MECHANISM POLICY:

The Company has adopted a Whistleblower Policy and has established a vigil mechanism for directors and employees in confirmation with Section 177 of the Act and the Rules framed thereunder and Regulation 22 of the Listing Regulations to report their concerns. For more details on the Whistleblower Policy please refer to the Corporate Governance Report and the Business Responsibility and Sustainability Report ("BRSR").

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards the Company encourages the employees to raise their genuine concerns without fear of criticism. Therefore, Company has Vigil Mechanism and Whistle Blower Policy and has established necessary framework to protect genuine whistle blowers, employees, third parties from any unfair treatment.

The Vigil Mechanism and Whistle Blower Policy is available on the website of the Company at https://www.innovacaptab.com/PDF/Vigil%20%20Mechanism%20&%20Whistle%20Blower%20Policy.pdf

30. CORPORATE SOCIAL RESPONSIBILITY INITIATIVE:

We believe that while the growth and success of our business is our priority, we can reach our greater goals only if we cater to the needs of the communities where we operate. Community development involves implementing a long-term plan to establish a supportive and lasting framework for the progress of communities. As a result, the Company's approach to Corporate Social Responsibility ("CSR") extends beyond fulfilling legal obligations and instead focuses on generating social and environmental benefits.

The CSR committee of the Board oversees and guides our CSR approach and deployment in line with the CSR Policy adopted by the Board. The CSR Policy covers the focus/thrust areas around which the CSR programmes, projects and activities are planned for creating a significant positive impact on targeted stakeholder groups. During the financial year under review, the CSR efforts of the Company continued to be directed towards its focus areas in line with the Company's CSR Policy positively.

A brief outline of the Policy on CSR is available on the website of the Company at https://www.innovacaptab.com/PDF/Corporate%20Social%20Responsbility%20Policy.pdf

The Annual Report on CSR activities is enclosed as **"Annexure D"**.

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company consciously makes all efforts to conserve energy across its operations. The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and Outgo as required under Section 134 (3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in "**Annexure E**" and forms part of this Report.

32. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

In accordance with the provisions of Section 186 of the Act, the details of Loans, Guarantees and Investments made by the Company as of 31 March 2024 are provided in the notes to the accounts of the Standalone Financial Statements which forms part of the Annual Report.

33. DIRECTORS & OFFICERS LIABILITY INSURANCE:

The Company has in place the Directors & Officers Liability Insurance for all its Directors (including Independent Directors) and Officers of the Company in line with Regulation 25(10) of the SEBI Listing Regulations.

34. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has formulated a Policy on materiality of dealing with related party transactions and the same has been hosted on its website at https://www.innovacaptab.com/investor-relations.php#fin-inf-id

All applicable related party related party transactions are placed before the Audit Committee for their review and approval. Further, prior to entering into related party transactions of repetitive nature and in the ordinary course of business at an arms' length basis, omnibus approval of the Audit Committee is obtained. Further, the Company has not entered into any material related party transaction during the year except with wholly owned subsidiary.

All the transactions entered during the financial year under review with the related parties referred to in Section 188 of the Act were in the ordinary course of the business and on the arm's length basis and are reported /stated in the Notes to the Accounts of the Standalone Financial Statements of the Company which forms part of the Annual Report.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable to the Company, since there were no material transactions with related parties.

35. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT OCCURRED BETWEEN THE END OF THE FINANCIAL YEARTO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes or commitments affecting the financial position of the Company occurred between the end of the Financial Year to which these financial statements relate and the date of this report, except as disclosed in this Report.

36. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONETIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

The Company was not required to obtain this valuation report.

37. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company or will have bearing on company's operations.

38. RISK AND AREAS OF CONCERN:

The Company has laid down a well-defined Risk Management Policy and Business Continuity Plan to

- Identify the Risk
- Assessment of Risk
- Measurement and Control
- Continuous Assessment
- Risk mitigation process

A detailed exercise is carried out by the Business Continuity Management ("BCM") designated by Board to identify, evaluate, manage and monitor both business and non-business risk. In this regard, the Company continues to exercise prudence on its Strategic Risks, Regulatory Risks, Legal and Secretarial Compliance risks, Financials Risks, Operational Risks, People Risks along with some other risk which might affect business operation. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. A copy of the risk management policy is placed on the Company's website www.innovacaptab.com and can be accessed at https://www.innovacaptab.com/PDF/Risk%20Management%20Policy.pdf.

The following are the key risks faced by the Company and mitigation plans for each of those risks:

Risk	Mitigation Plan
Competition & Supplier Risk	Our Company is focused on building economies of scale, into the business. Company has strengthened our business' long-term relation with customer Our Company has developed alternative suppliers to safeguard the raw material supply chain.
Regulatory & Secretarial Compliance Risks	Our Company has framework in place to timely Comply with the Regulatory & Secretarial Compliances.
Legal Risks	Our legal and compliance team is dedicated to ensuring strict adherence to all relevant regulations. In close collaboration with the Board of Directors and senior management, they work tirelessly to uphold these regulatory standards. Additionally, the company is in the process of implementing advanced compliance management software, further strengthening our commitment to regulatory excellence.
Financials Risks	Our Company has robust strategy and framework in place to timely Compliances of all applicable Acts Statutes and Internal Control over Financial Reporting.
Operational Risks	Company's facilities are all as per GMP standards. We also house a R&D team which does rigorous checks to ensure the quality and efficacy of the products as per customer standards.

As the equity shares of the Company got listed on National Stock Exchange of India Limited and BSE Limited on 29 December 2023 and is forming part of the top 1000 listed entities determined on the basis of market capitalisation, as at the end of the immediate previous financial year i.e. 31 March 2024, Regulation 21 of the SEBI LODR with respect to Risk Management Committee has become applicable to the Company. Accordingly, the Board of Directors have constituted Risk Management Committee for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time.

39. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and has complied with all the applicable provisions of the during the year under review.

40. PREVENTION OF INSIDER TRADING:

For dealing in shares and Unpublished Price Sensitive Information ("UPSI") of the Company and in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Insider Trading Regulations") the Company has formulated and adopted the following:

- Code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders
- Code of practices and procedures for fair disclosure of UPSI

The aforesaid policies and codes are designed to maintain the highest ethical standards of trading in securities of the Company, to regulate, monitor and ensure pre- clearance and reporting of trades by the Designated Persons (including their immediate relatives) identified basis their functional role/seniority in the Company/ its wholly owned subsidiary Company (including step down subsidiary), advise designated persons and employees on protection of UPSI and on the compliances and procedures to be followed while dealing with securities and UPSI of the Company including entry in Structured Digital Database, investigation procedure in case of leak/suspected leak of UPSI and cautions them of the consequences of violations. The said Code is available on the website of the Company at https://www.innovacaptab.com/PDF/Code%20of%20internal%20procedures%20and%20conduct%20for%20regulating,%20monitoring%20and%20reporting%20of%20trading%20by%20insiders.pdf

41. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment ("POSH" policy) at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under to provide a safe and harassment free workplace for every individual working in any office of the Company.

The Company has duly set up an Internal Complaints Committee ("ICC") in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment.

The Company did not receive any complaint of sexual harassment during the year under review.

42. OTHER INFORMATION:

a. Green Initiative:

To support the "Green Initiative" undertaken by the Ministry of Corporate Affairs (MCA), to contribute towards a greener environment, the Company has already initiated/ implemented the same. As permitted, delivery of notices, documents, annual reports etc. are being sent to members via electronic mode.

b. General:

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1) Issue of equity shares with differential rights as to dividend, voting or otherwise.
2) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3) Buy back of the shares of the Company
4) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
5) There was no instance of onetime settlement with any Bank or Financial Institution.

43. ACKNOWLEDGEMENT:

The Directors also acknowledges and appreciates the contribution made by dedicated and loyal and all past and present employees at all levels of the Company for their hard work, dedication, commitment and efforts. The Directors also wish to place on record their appreciation for the continuous co-operation, assistance and support extended by all stakeholders, Government Authorities, Financial Institutions, Banks, Customers, Dealers, Suppliers etc. of the Company.

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

Manoj Kumar Lohariwala
Chairman and Whole-Time Director
DIN: 00144656

Date: 09 August 2024
Place: Panchkula

Annexure A

FORM NO. AOC.1

Statement containing salient features of the Financial Statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(₹ in million)

Name of the Subsidiary Company	Univentis Medicare Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31 March 2024
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Reporting currency: INR Exchange rate: N.A.
Share capital	1.50
Reserves & surplus	639.63
Total assets	2,509.95
Total Liabilities	1,868.82
Investments	10.00
Revenue from operation	2,024.09
Profit before taxation	156.65
Provision for taxation	39.43
Profit after taxation	117.22
Proposed Dividend	NIL
% of shareholding	100.00
Date on which it became the Subsidiary of the Company	31 December 2021

(In ₹)

Name of the Subsidiary Company	Univentis Foundation*
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31 March 2024
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Reporting currency: INR Exchange rate: N.A.
Share capital	N.A.
Reserves & surplus (Accumulated Fund)	774,496
Total assets	830,456
Total Liabilities	55,960
Investments	-
Receipts	5,834,148
Excess of income over expenditure	87,106
Date on which it became the Subsidiary of the Company	14 June 2021

*Univentis Foundation is a Trust and hence the details provided in the table has to be constructed accordingly.

Annexure A (Contd.)

(₹ in million)

Name of the step down Subsidiary Company	Sharon Bio-Medicine Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31 March 2024
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Reporting currency: INR Exchange rate: N.A.
Share capital	0.05
Reserves & surplus (Accumulated Fund)	251.36
Total assets	2,036.71
Total Liabilities	1,785.30
Investments	-
Revenue from operation	1 ,902.25
Profit before taxation	713.69
Deferred tax charge	190.30
Profit after taxation	903.99
Proposed Dividend	NIL
Date on which it became the step-down subsidiary of the Company	30 June 2024

Part "B": Associates and Joint Ventures

Not Applicable as the Company does not have any Associate and Joint Venture.

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

Manoj Kumar Lohariwala
Chairman and Whole-Time Director
DIN: 00144656

Date: 09 August 2024
Place: Panchkula

Annexure B

Details of Remuneration As required under section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2024 is as under:

Sl. no	Name of Director/ KMP	Designation	Remuneration of Director / KMP (In ₹)		% increase in Remuneration in the FY 2024	Ratio of Remuneration of each Director/KMP to median remuneration of the employees
			FY 2023	FY 2024		
1	Mr. Manoj Kumar Lohariwala	Chairman & Whole Time Director	4,800,000.00	6,200,000.00	29.17%	42:1
2	Mr. Vinay Kumar Lohariwala	Managing Director	4,800,000.00	6,200,000.00	29.17%	42:1
3	Mr. Jayant Vasudeo Rao	Whole Time Director	1,471,200.00	1,605,200.00	9.11%	11:1
4	Mr. Archit Aggarwal	Non-Executive Non-Independent Director	0.00	0.00	NA	NA
5	Mr. Sudhir Kumar Bassi	Non-Executive Independent Director	840,000.00	1,370,000.00	63.10%	9:1
6	Ms. Priyanka Dixit Sibal	Non-Executive Independent Director	430,000.00	810,000.00	88.37%	5:1
7	Mr. Mahendar Korthiwada	Non-Executive Independent Director	280,000.00	1,170,000.00	317.86%	8:1
8	Mr. Shirish Gundopant Belapure	Non-Executive Independent Director	470,000.00	1,100,000.00	134.04%	7:1
9	Mr. Rishi Gupta	Chief Financial Officer	8,810,004.00	611,806.00	(93%)	4:1
10	Mr. Gaurav Srivastav	Chief Financial Officer	NA	7,849,495.00	NA	53:1
11	Mr. Lokesh Bhasin	Chief Financial Officer	NA	930,064.00	NA	6:1
12	Mr. Mukeshkumar Siyaram Singh	Key Managerial Personnel ("KMP")	NA	1,566,000.00	NA	11:1
13	Ms. Neeharika Shukla	Company Secretary and Compliance Officer	542,867.00	658,784.00	21.35%	4:1

Note:

1. Mr. Archit Aggarwal, Non-Executive Non-Independent Director, is not drawing any remuneration/ sitting fees.
2. Increase in sitting fees of Non-Executive Independent Director (from sl.no 5 to sl.no 8) due to increase in frequency of Board and Committee meeting during FY 2024.

Annexure B (Contd.)

3. Mr. Rishi Gupta, Chief Financial Officer, had untimely demise on 26 April 2023 hence only one month remuneration mentioned above.
4. Mr. Gaurav Srivastav, Chief Financial Officer appointed as Chief Financial Officer w.e.f 12 August 2023 hence his percentage increase during FY 2024 is not mentioned.
5. Mr. Lokesh Bhasin and Mr. Mukeshkumar Siyaram Singh appointed as Chief Financial Officer and KMP respectively during FY 2024, hence their percentage increase is not mentioned.

II. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the FY 2024: Refer the Table at Point No. I above.

III. The percentage increase in the median remuneration of employees during the FY 2024: In the FY 2024, there was an increase of 17.26% in the median remuneration of employees of the Company.

IV. The number of permanent employees on the rolls of Company: There were 1252 permanent employees on the rolls of the Company as on 31 March 2024.

V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **NA**

VI. The key parameters for any variable component of remuneration availed by the directors: **NA**

VII. Affirmation that the remuneration paid to the Directors, KMPs, and other Employees is as per the remuneration policy of the Company: It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees of the Company.

VIII. The names of the top ten employees in terms of remuneration drawn IN FY 2024

S.No	Name
1	Mr. Gaurav Srivastava
2	Mr. Vinay Kumar Lohariwala
3	Mr. Manoj Kumar Lohariwala
4	Mr. Sujit Kumar Dana
5	Mr. Lokesh Bhasin
6	Mr. Arvind Kumar Singh
7	Mr. Satyendra Kumar
8	Mr. Nihar Ranjan Panigrahi
9	Mr. Jatinder Singh Mahant
10	Mr. Rajesh Kumar Sharma

(a) Number of employees with remuneration drawn during the year of Rupees One Crore Two Lakhs or more: Nil

(b) Top ten employees in terms of remuneration drawn during the year and employees employed for part of the financial year with remuneration drawn during the year of Rupees Eight lakhs fifty thousand or more per month: **Mr. Gaurav Srivastava**

(c) Top ten employees employed throughout the financial year or part thereof, who were in receipt of aggregate remuneration in that year, at a rate which, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company : **NA**

The statement as required under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing the aforesaid details, shall be made available to any shareholder on a specific request made by them in writing to the Company at **cs_icl@innovacaptab.com**.

Annexure C

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31 March 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Innova Captab Limited
601, Proxima, Plot No 19,
Sector 30 A, Vashi Navi Mumbai,
Thane, Maharashtra -400705, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Innova Captab Limited, CIN: U24246MH2005PLC150371** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company**'s** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31 March 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Innova Captab Limited** ("the Company") for the financial year ended on **31 March 2024,** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') ;

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; **(The provisions of the said regulations are not applicable to the Listed Entity during the review period)**.

e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**The provisions of the said regulations are not applicable to the Listed Entity during the review period).**

f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(The provisions of the said regulations are not applicable to the Listed Entity during the review period).**

g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

i) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003;

j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(The provisions of the said regulations are not applicable to the Listed Entity during the review period).**

k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations,2009

(vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:

(a) The Drugs Control Act, 1950 and Rules made thereunder;

(b) The Narcotic Drugs and Psychotropic Substances Act 1985; and Rules made thereunder;

(c) The Drugs (Prices Control) Order, 2013 and Rules made thereunder;

Annexure C (Contd.)

We have also examined compliance with the applicable provisions of the following:

a) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

b) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. As per the minutes, the decisions at the Board Meetings were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. ACQUISITION OF SHARON BIO-MEDICINE LIMITED, CIN: L24110MH1989PLC052251, BY UNIVENTIS MEDICARE LIMITED, THE WHOLLY OWNED SUBSIDIARY OF THE COMPANY ("MATERIAL SUBSIDIARY").

Hon'ble National Company Law Tribunal, Mumbai Bench (Hon'ble NCLT), pronounced the Order dated 17 May 2023 sanctioning approval of the Resolution Plan in respect of Sharon Bio-Medicine Limited, CIN: L24110MH1989PLC052251.

Pursuant to the order of the Hon'ble NCLT, the Company through its wholly owned subsidiary, Univentis Medicare Limited had acquired 100% equity in the Sharon Bio-Medicine Limited, CIN: L24110MH1989PLC052251 and Sharon Bio-Medicine Limited, had become wholly owned subsidiary of the Company w.e.f. 30 June 2023.

2. SHIFTING OF REGISTERED OFFICE OF THE COMPANY

Pursuant to the resolution passed by the Shareholders of the Company on 16 October 2023, the Company had shifted its registered office from Office No. 606, Ratan Galaxie-6th Floor, J.N.Road, Plot No. 1, Mulund(W),Mumbai, Mumbai City, Maharashtra - 400080 India to 601, Proxima, Plot No 19, Sector 30 A, Vashi Navi Mumbai, Thane, Maharashtra - 400705, India w.e.f. 16 October 2023 which is **outside the City/Town/Village where the Registered office of the Company was situated but within the same state and same ROC.**

3. ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY (AOA)

Pursuant to the resolution passed by the Shareholders of the Company on 01 December 2023, the Company had amended the **Articles of Association (AOA)** of the Company.

4. PRIVATE PLACEMENT OF EQUITY SHARES

Pursuant to the resolution passed by the Shareholders on 01 December 2023, the Company had issued and allotted **6,69,642 (Six Lakhs Sixty Nine Thousand Six Hundred and Forty Two)** equity shares of face value of ₹ 10/- (Ten) each at an issue price of ₹ **448 (Rupees Four Hundred and Forty Eight only)** per share including the premium of ₹ **438 (Rupees Four Hundred and Thirty Eight only)** per share on Private Placement basis.

5. IN-PRINCIPAL APPROVAL FROM NATIONAL STOCK EXCHANGE OF INDIA LIMITED AND BSE

The Company had obtained in-principal approvals from National Stock Exchange of India Limited on 15 September 2022 and from BSE Limited on 16 September 2022 to list its entire Initial Public Offer (IPO).

6. LISTING OF EQUITY SHARES OF THE COMPANY

During the period under review, the Company has made an Initial Public Offer (IPO) for total 12,723,214 equity shares aggregating to ₹ 570 crores, which comprises of fresh issue of 7,142,857 equity shares of ₹ 10 each aggregating to ₹ 320 crores and 5,580,357 equity shares of ₹ 10 each aggregating up to ₹ 250 crores as Offer for Sale (OFS).

Annexure C (Contd.)

The issue price was ₹ **448 (Rupees Four Hundred and Forty Eight only)** per share including the premium of ₹ **438 (Rupees Four Hundred and Thirty Eight only)** per equity share.

The said equity shares were allotted in the following manner:-

a. 3,816,963 Equity shares were allotted to Anchor Investors;

b. 2,544,643 Equity Shares were allotted to Qualified Institutional Buyers (except Anchor Investors);

c. 1,908,482 Equity Shares were allotted to Non-Institutional Bidders; and

d. 4,453,125 Equity Shares were allotted to Retail Individual Bidders.

The Company's equity shares were listed on the Stock Exchanges viz., National Stock Exchange of India Limited and BSE Limited w.e.f. 29 December 2023.

This Report is to be read with our letter of even date which is annexed as Annexure – A and forms an integral part of this report.

For Jaspreet Dhawan & Associates
Company Secretaries

Jaspreet Singh Dhawan
M. No. 9372
CP.NO: 8545
PR No. 1335/2021
(UDIN:F0093728F000484627)

Date: 29 May 2024
Place: Mohali

Annexure C (Contd.)

'Annexure-A'

To
The Members
Innova Captab Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by me since the same have been subject to review by statutory auditors and other professionals.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jaspreet Dhawan & Associates
Company Secretaries

Jaspreet Singh Dhawan
M. No. 9372
CP.NO: 8545
PR No. 1335/2021
(UDIN:F0093728F000484627)

Date: 29 May 2024
Place: Mohali

Annexure C (Contd.)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year Ended 31 March 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Univentis Medicare Limited
Plot No. L6, MIDC Road, Taloja, Navi Mumbai, Taloja, Raigarh(MH), Panvel, Maharashtra, India, 410208

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Univentis Medicare Limited, CIN : U24232MH2015PLC402722** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31 March 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Univentis Medicare Limited** ("the Company") for the financial year ended on **31 March 2024,** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not applicable to the Company)** ;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') ; **(Not applicable to the Company)**;

(vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:

(a) The Drugs Control Act, 1950 and Rules made thereunder;

(b) The Narcotic Drugs and Psychotropic Substances Act, 1985; and Rules made thereunder;

(c) The Drugs (Prices Control) Order, 2013 and Rules made thereunder;

We have also examined compliance with the applicable provisions of the following:

a) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. As per the minutes, the decisions at the Board Meetings were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY (MOA)

Pursuant to the resolution passed by the Shareholders of the Company on 22 May, 2023, the Company had amended the **Memorandum of Association (MOA)** of the Company.

2. SHIFTING OF REGISTERED OFFICE OF THE COMPANY

Pursuant to the resolution passed by the Shareholders of the Company on 16 October, 2023, the Company had shifted its registered office from C Portion, B-203, Vaishali Tower, Co-op, Hsg. Society Ltd, Vaishali Nagar, BR Road, Mulund (W), Mumbai, Maharashtra - 400080 to Plot No. L6, MIDC Road, Taloja, Navi Mumbai, Maharashtra, India - 410208 w.e.f 1 October, 2023 which is **outside the City/Town/Village where the Registered office of the Company is situated but within the same state and ROC.**

3. ACQUISITION OF SHARON BIO-MEDICINE LIMITED, CIN : L24110MH1989PLC052251

Hon'ble National Company Law Tribunal, Mumbai Bench (Hon'ble NCLT), pronounced the Order dated 17 May, 2023 sanctioning approval of the Resolution Plan of Sharon Bio-Medicine Limited, CIN: L24110MH1989PLC052251.

Pursuant to the order of the Hon'ble NCLT, the Company had acquired 100% equity in the Sharon Bio-Medicine Limited, CIN: L24110MH1989PLC052251 and virtue of the acquisition Sharon Bio-Medicine Limited, had become wholly owned subsidiary of the Company w.e.f. 30 June, 2023.

This Report is to be read with our letter of even date which is annexed as Annexure – A and forms an integral part of this report.

For Jaspreet Dhawan & Associates
Company Secretaries

Jaspreet Singh Dhawan
M. No. 9372
CP.NO: 8545
PR No. 1335/2021
(UDIN:F009372F000484759)

Date: 29 May 2024
Place: Mohali

Annexure C (Contd.)

'Annexure-A'

To
The Members
Univentis Medicare Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by me since the same have been subject to review by statutory auditors and other professionals.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jaspreet Dhawan & Associates
Company Secretaries

Jaspreet Singh Dhawan
M. No. 9372
CP.NO: 8545
PR No. 1335/2021
(UDIN:F009372F000484759)

Date: 29 May 2024
Place: Mohali

Annexure C (Contd.)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
For the Period 01-04-2023 to 31-03-2024

To,
The Board of Directors
Sharon Bio-Medicine Limited
W-34 34/1M I D C Taloja Raigad
Maharashtra-410208

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Sharon Bio-Medicine Limited (CIN: L24110MH1989PLC052251)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period from **1 April, 2023 to 31 March, 2024 ("the reporting period")**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the period from **1 April, 2023 to 31 March, 2024** according to the provisions of:

(i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company: -

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable during the financial year under review.**

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable during the financial year under review.**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable during the financial year under review.**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **The Company has delisted its securities during the financial year under review.**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018–; **Not applicable during the financial year under review.**

i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

(vi) I have relied on the representations made by the Company and its officer for systems and mechanisms formed by the Company for compliance of the other specific Law, rules, regulations, bye-laws applicable to the Company as mentioned in Annexure B:

Annexure C (Contd.)

2. **I have also examined compliance with the applicable clauses of the following:**
   (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
   (ii) The Uniform listing Agreements entered into by the company with BSE Limited and National Stock Exchange of India Limited.
   (iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.
3. **I further report that**:

   I have not reviewed the Compliance of applicable financial laws including Direct and Indirect Tax laws by the Company as the same has been subject to review by the Statutory Auditors and others designated professionals.

   During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above subject to **following observations**:

   - ***During the reporting period e-forms DIR-12 for resignation/cessation of Directors and KMP are pending for filing with Registrar of Companies due to non-filing of form INC-22A.***

     Pursuant to the General Circular No. 02/2024 dated 19 February, 2024, the Company has filed Change Request Form ("CRF") with the concerned Registrar of Company for change of status from "Active Non-Complaint" to "Active Compliant". The said CRF has been approved by the concerned ROC and the E-Gov cell of Ministry of Corporate Affairs and consequently, the MCA Active status of the Company has been changed from "Active Non-Complaint" to "Active Compliant".

     Subsequently, the Company has filed the pending DIR-12 with the concerned ROC after the reporting period.
   - ***The Company is maintaining all its registers and documents at its corporate office, hence board approval and filing of Form AOC-5 was required to be filed with ROC, which has not been complied by the Company.***
4. **I further report that**:

   The approved Resolution Plan in the Corporate Insolvency Resolution Process of the Company was successfully implemented and the monitoring committee declared 30 June, 2023, as the closing date as per the terms of the approved resolution plan and thereby handed over control over the affairs of the company to the reconstituted board of directors. Subsequently, the Company filed delisting application with both the stock exchanges where the securities of the Company was listed Viz., NSE and BSE on 6 June, 2023 in terms of the approved Resolution Plan and the same was approved by the Stock Exchanges w.e.f. 20 February, 2024.

   During the reporting period, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors, considering that the Company has been delisted in terms of the Resolution Plan and the application for the same was approved by the Stock Exchanges. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
5. **I further report that:**

   There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. **I further report that:**

   The Company was under Corporate Insolvency Resolution Process (CIRP) since 2017 and the Hon'ble National Company Law Tribunal ("NCLT") vide order dated 17 May, 2023 approved resolution plan dated 22 August, 2022 (as modified on 6 October 2022) submitted by Innova Captab Limited, further in terms of approved resolution plan the Company has allotted the equity shares on preferential basis in following manner;

   - Allotment of Equity Shares to financial creditors pursuant to conversion of residual debt
   - Allotment of 23,976 equity shares of ₹ 2/- (rupees two only) each at a premium of ₹ 415.10 (Rupees four hundred fifteen and ten paise only) per equity share aggregating up to ₹ 10,000,389.60 (Rupees Ten Million, Three Hundred Eighty Nine and Sixty Paise only) in accordance with approved resolution plan on private placement basis.

   For the above two transactions the Company has filed e-from MGT-14 and e-form PAS-3 (through GNL-2) due to non-filing of e form INC-22A.

   Pursuant to the General Circular No. 02/2024 dated 19 February, 2024, the Company has filed Change Request Form ("CRF") with the concerned Registrar of Company for change of status from "Active Non-Complaint" to "Active Compliant". The said CRF has been approved by the concerned ROC and the E-Gov cell of Ministry of Corporate Affairs and consequently, the MCA Active status of the Company has been changed from "Active Non-Complaint" to "Active Compliant".

For Deepti & Associates
Practicing Company Secretaries

Deepti Grover
Proprietor
FCS. No. 7654 | C.P.: 17546
FRN: S2016DE438900
UDIN: F007654F000367277

Date: 14 May 2024
Place: New Delhi

This report is to be read with my letter of even date which is annexed as ***Annexure A*** *and forms an integral part of this report.*

Annexure C (Contd.)

'Annexure A'

To,
The Board of Directors
Sharon Bio-Medicine Limited
W-34 34/1M I D C Taloja Raigad
Maharashtra-410208

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. I do not assure / confirm by virtue of this report that the Company is in 100% compliance with the requirement of various statue/laws since I have carried out this out on test check basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Deepti & Associates
Practicing Company Secretaries

Deepti Grover
Proprietor
FCS. No. 7654 | C.P.: 17546
FRN: S2016DE438900
UDIN: F007654F000367277

Date: 14 May 2024
Place: New Delhi

Annexure C (Contd.)

'Annexure B'

a) Drugs and Cosmetics Act, 1940 and Rules made thereunder; and

b) Drugs Price Control Order, 2013 and notifications made thereunder.

c) Drugs & Cosmetics Act, 1940.

d) Dangerous Drugs Act, 1940.

e) The Poisons Act;

f) The Drugs and Magical Remedies (Objectionable Advertisements) Act;

g) Bombay Shop and Establishment Act, 1948, rules thereunder and other State Acts and rules thereunder

h) Contract Labour (Regulation and Abolition) Act, 1970 and Contract Labour (Regulation and Abolition) Central Rules, 1971 and applicable State Rules

i) Industrial Employment (Standing Orders) Act, 1946 and Industrial Employment (Standing Orders) Central Rules, 1946 and applicable State Rules

j) Factories Act, 1948 and applicable State Rules

k) Foreign Exchange Management Act, 1999 read with Notifications and directions, Notifications and Circulars issued by RBI

l) Foreign Trade (Development and Regulation) Act, 1992

m) Securities and Exchange Board of India Act, 1992

n) Industrial Disputes Act, 1947 and Industrial Disputes (Central) Rules, 1957 and applicable State Rules

o) Apprentices Act, 1961 And Apprentices Rules, 1992

p) Employee Compensation Act, 1923 and Workmen Compensation Rules, 1924 and applicable State Rules

q) Employees' State Insurance Act, 1948 and Employees' State Insurance (Central) Rules, 1950 and Employees' State Insurance (General) Regulations, 1950

r) Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees' Provident Fund Scheme, 1952 and Employees' Pension Scheme, 1995 and Employees' Deposit Linked Insurance Scheme, 1976

s) Equal Remuneration Act, 1976 & Equal Remuneration Rules, 1976

t) Maternity Benefit Act, 1961 and applicable State Rules

u) Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975

v) Payment of Wages Act, 1936 and Payment of Wages (Nomination) Rules, 2009 and applicable State Rules

w) Minimum Wages Act, 1948 and Minimum Wages Rules, 1950 and applicable State Rules

x) Payment of Gratuity Act, 1972 and applicable State Rules

y) Bombay Labour Welfare Fund Act, 1953 rules thereunder and other State Acts and rules thereunder

z) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013

aa) Information Technology Act, 2000 and Information Technology (Reasonable sec

bb) Income Tax Act, 1961; Finance Act, 1994 (as amended from time to time) and Service Tax Rules, 1994; Central Sales Tax Act,1956; Central Excise Act, 1944 and rules thereunder; Maharashtra Value Added Tax Act, 2002; Chhattisgarh Vritti Kar Adhiniyam, 1995; and other State Acts governing VAT, Profession Tax, Entry Tax, Tax on Trades, Callings and Employments Act and rules thereunder

cc) Environment (Protection) Act, 1986 and Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008; Noise Pollution (Regulation and Control) Rules, 2000; Environment (Protection) Rules, 1986; E-waste (Management & Handling) Rules, 2011; Ozone Depletion Substances (Regulation) Rules, 2000; Bio Medical Waste (Management & Handling) Rule, 1998; Batteries (Management and Handling) Rules, 2001 36.

dd) (Prevention and Control of Pollution) Act, 1981; and Air (Prevention and Control of Pollution) (Union Territories) Rules, 1983; and applicable State Rules

ee) Water (Prevention and Control of Pollution) Act, 1974; and Water (Prevention and Control of Pollution) Rules, 1975; and applicable State Rules

ff) Water (Prevention and Control of Pollution) Cess Act, 1977; and Water (Prevention and Control of Pollution) Cess Rules, 1983; and applicable State Rules

gg) Any other Central and State Acts and rules made thereunder, as may be applicable

Annexure D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES
(Pursuant to Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

Giving back to the society is embedded in the value system of the Company and we believe and aim to bring about a positive change in the nation. Your Company's approach to CSR extends beyond fulfilling legal obligations and instead focuses on generating social and environmental benefits. As an integral part of the Company's commitment to Good Corporate Citizenship, the Company, believe in actively assisting in improvement of the quality of life of people in communities.

The Company actively contribute to ensure that the people living in local areas around business operations lead a good quality life. Towards achieving long-term stakeholder value, the Company shall always continue to respect the interests of and be responsive towards key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and the marginalized.

The CSR Policy ('the Policy') of the Company as approved by the Board is available on the Company's website. The Company's CSR is in alignment with the initiatives undertaken by it.

For details of the CSR Policy along with projects and programs, kindly refer to the following weblink at https://www.innovacaptab.com/investor-relations.php

2. COMPOSITION OF CSR COMMITTEE:

S. N.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vinay Kumar Lohariwala	Chairman, Managing Director	2	2
2.	Mr. Manoj Kumar Lohariwala	Member, Whole-Time Director	2	2
3.	Mr. Sudhir Kumar Bassi	Member, Non-executive, Independent Director	2	2

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

- Composition of the CSR committee is available on the Company's website on: https://www.innovacaptab.com/PDF/Committee%20Constitution_ICL_20.12.2023.pdf
- CSR policy: https://www.innovacaptab.com/PDF/Corporate%20Social%20Responsbility%20Policy.pdf
- CSR projects on: Currently there are no ongoing projects.

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE:

Not Applicable

5. (a) Average net profit of the Company as per section 135(5): ₹ **712,791,515.00**

(b) 2% of average net profit of the Company as per section 135(5): ₹ **14,255,830.00**

(c) Surplus arising out of the CSR projects or programs or activities of the previous Financial Years: NIL

(d) Amount required to be set-off for the financial year, if any: NIL

(e) Total CSR obligation for the Financial Year [(b) +(c) -(d)]: ₹**14,255,830.00**

6. (a) Amount **spent on CSR Projects (both Ongoing Project and other than Ongoing Project).**

- Currently there are no ongoing projects.

Annexure D (Contd.)

- Details of CSR amount spent against other than ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. N.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Promoting Education for Girl Child	(ii)	No	Uttrakhand	Udham Nagar	1,050,000.00	No	Shri Dudiya Baba Sanyash Ashram	CSR00008559
2.	Promoting health care, Promoting Education, Animal Welfare	(i, ii,iv)	Yes	Haryana	Panchkula	5,771,482.00	No	Univentis Foundation	CSR00028556
3.	Animal Welfare	(iv)	No	Haryana	Hisar	200,000.00	No	Baba Binjpuri Shiv Gaushala Samiti	0SR00050714
4.	Promoting Education	(ii)	No	Chandigarh	Chandigarh	100,000.00	No	Shri Muktinath Ved Vidya Ashram	CSR00017331
5.	Promoting Healthcare	(i)	No	Kolkata	Ekbalpur	200,000.00	No	Calcutta Centre Mahavir Seva Sadan	CSR00000949
6.	Promoting Education	(ii)	No	Delhi	Delhi	7,500,000.00	No	Moga Devi Minda Charitable Trust	CSR00000499
7.	Employment enhancing vocation skills	(ii)	Yes	Baddi	Solan	1,846,425.00	Yes	-	-
	Total					**16,467,907.00**			

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NA

(d) Total amount spent for the Financial Year [(a) + (b) +(c)]: ₹**16,467,907.00**

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	(In ₹)	Date of transfer	Name of the Fund	(In ₹)	Date of transfer
16,467,907	NIL	-	-	NIL	-

Annexure D (Contd.)

(f) **Excess amount for set-off, if any:**

S. No.	Particulars	(in ₹)
(1)	(2)	(3)
1.	Two percent of average net profit of the company as per section 135(5)	14,255,830.00
2.	Total amount spent for the financial year	16,467,907.00
3.	Excess amount spent for the financial year [(ii)-(i)]	2,212,077.00
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,212,077.00

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

S. N.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (In ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spend in succeeding financial years
				(In ₹)	Date of transfer	
-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NO**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **NA**

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

Manoj Kumar Lohariwala
Chairman and Whole-Time Director
DIN: 00144656

Date: 09 August 2024
Place: Panchkula

Annexure E

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE (DISCLOSURE UNDER SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF COMPANIES (ACCOUNTS) RULES, 2014)

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy

a) Retrofitting with LED lights in existing light fixtures done in phased manner across all locations. All new purchases of lights are done of LED lights primarily.

b) Installation of Variable speed drive (VSD) technology for HVAC, dust collectors, pumps various process machines etc. implemented across all sites. VSD incorporated in new purchases of energy related equipment at procurement stage only.

c) Targeted zero leakage and implemented well-structured utility leakages management program across all locations.

d) Per Unit Energy Cost Reduction Program:

- Fuel switches over from High Speed Diesel to Light Diesel Oil for steam generation having facilities of Furnace Oil and Agro Based Bracket.
- Maintaining unit power factor across all locations. This has helped reduce the power demand and improve life of electrical switchgears

e) Operationalized precise control of environmental condition of manufacturing area.

f) Automation system:

1. Interlocking of dust collectors with HVAC
2. Installed occupancy sensors for low man movement area
3. Installed proximity sensors for air curtains
4. Potable water pump operated from feedback and VSD
5. Seasonal set point optimization of chillers
6. Auto water level sensors fixed to ETP, STP, drinking water RO plant & underground &overhead water tanks etc.
7. Ensured best possible automation to reduce electricity wastage.
8. Installed energy efficient air blower for aeration at ETP.

g) Re-utilizing steam condensate to pre heat the feed water.

Impact of above measures:

(i) Reduction in energy consumption and cost.
(ii) Reduction in carbon footprint.
(iii) Reduction in per unit production cost.
(iv) Availability of utilities for additional user points.
(v) Increase in operational efficiencies.

(ii) The steps taken by the company for utilizing alternate sources of energy

Company continued its steps to adopt green energy utilization as an alternate source of energy and took various initiatives in this regard.

(iii) The capital investment on energy conservation equipment

Company has invested substantial amounts on energy conservation equipment across all units.

Annexure E (Contd.)

(B) Technology Absorption:

(i)	**The efforts made towards technology absorption**	The company has continued its efforts on technology up-gradation in the area of manufacturing of pharmaceutical products.
(ii)	**The benefits derived like product improvement, cost reduction, product development or import substitution**	1. The quality of pharmaceutical products 2. Reduction in costs 3. Increase in exports
(iii)	**In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)-**	NIL
	(a) the details of technology imported	NIL
	(b) the year of import;	N. A
	(c) whether the technology been fully absorbed	N. A
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N. A
(iv)	**The expenditure incurred on Research and Development**	₹ 57 million

(C) Foreign Exchange Earnings and Outgo:

(₹ in Million)

Particulars	FY 2024	FY 2023
Expenditure in foreign currency	2,060.19	552.95
Earnings in foreign currency	1,138.64	684.92

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

Manoj Kumar Lohariwala
Chairman and Whole-Time Director
DIN: 00144656

Date: 09 August 2024
Place: Panchkula

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company continuously strives to strengthen its governance to generate long-term value for its various stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and the Management levels. The Company is committed to transparency in all its dealings emphasis with business ethics. The Company has in place the process, protocols and systems of Corporate Governance and has been following fair, transparent and ethical governance practices for enhancing long-term shareholder value and retaining investor confidence and trust.

The principles of Corporate Governance, including integrity, transparency, accountability and business ethics are manifested in the Company's culture, policies and in relationship with its stakeholders. Its commitment to values and ethical business conduct ensures that the interest of all stakeholders is respected in a balanced and transparent manner.

A. Code of Conduct

The Board of Directors has laid down a Code of Conduct for all Board members, the senior management of the Company and all employees including employees of its subsidiary companies. This Code serves as a guide for our daily business interactions reflecting our standard for appropriate behavior and our corporate values, and is designed to prevent, detect, and address any allegation of misconduct and to provide guidance to personnel in recognizing and dealing with important ethical and legal issues and to foster a culture of honesty and accountability within the organization. The Code of Conduct of the Company is available on the website of the Company at https://www.innovacaptab.com/PDF/Code%20of%20conduct%20for%20BOD%20&%20SMP.pdf

All the Directors and Senior Management affirm compliance with the Code of Conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Managing Director has been annexed as Annexure '1' to this Report.

All members of the senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may give rise to potential conflict with the interest of the Company at large.

The Corporate Governance Report for FY 2024 is prepared in accordance with Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended up to date read with relevant provision of the Companies Act, 2013 (the Act) & Rules framed thereunder.

As on 31 March 2024, the Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance. This report contains information of all events till 31 March 2024 unless otherwise specified.

B. Board of Directors

The Board of Directors ("the Board") is at the helm of the governance structure at the Company and endorses that good governance is not merely an objective, but also means to achieve the objective of operating as a responsible citizen. The Board is entrusted with the ultimate responsibility for the management, general affairs, direction and strategies of the Company and vested with requisite powers, authorities and duties. The Board along with its committees provides leadership and guidance to the Company's management and supervises the Company's performance.

The Board of Directors of the Company is led by the Chairman and comprises of 8 (Eight) Directors, consisting of:

Managing Director	1
Whole-Time Director	2
Non-Executive Director	1
Independent Director	4 (including 1 Woman Director)

The profiles of Directors can be viewed at https://www.innovacaptab.com/about.php#our-promoters-id. As at the end of FY 2024, the composition of the Board was in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act 2013.

As per Section 165 of the Companies Act 2013, none of the Directors on the Company's Board hold the office of Director in more than 20 companies, including 10 public companies. None of the Directors on the Board is a member of more than 10 (ten) Board Committees and Chairperson of more than 5 (five) Board Committees across all public companies in which he/she is a Director. Further, as per Regulation 17A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors hold Directorship in more than 7 listed entities and none of the Independent Directors serve as Independent Director in more than 7 listed entities and in case they are Whole-Time Directors / Managing

Directors in any listed entity, then they do not serve as Independent Director in more than 3 listed entities. Necessary disclosures regarding committee positions in other public companies as on 31 March, 2024 have been made by the Directors. None of the Directors are related to each other. Further, the Managing Director and Whole Time Director does not serve as an Independent Director in any listed company.

During the FY 2024, the Board of the Company met Fourteen (14) times as follows:

Sl. No	Date	Sl. No	Date	Sl. No	Date	Sl. No	Date
1.	23 May 2023	5.	10 November 2023	9.	15 December 2023	13.	13 February 2024
2.	12 August 2023	6.	01 December 2023	10.	26 December 2023	14.	29 March 2024
3.	09 September 2023	7.	03 December 2023	11.	27 December 2023		
4.	12 October 2023	8.	14 December 2023	12.	18 January 2024		

The quorum was present for all the meetings held during FY 2024 and the interval between any two consecutive meetings never exceeded 120 days.

Details of the composition of the Board, the Board meetings held during the year, attendance of Directors at Board meetings and at the last Annual General Meeting ("AGM") are as under:

Name of the Director	DIN	Category of Directorship	No. of. Board Meeting attended	Attendance at the last AGM held on 14 August 2023
Mr. Manoj Kumar Lohariwala	00144656	Chairman & Whole Time Director	14	Yes
Mr. Vinay Kumar Lohariwala	00144700	Managing Director	14	Yes
Mr. Jayant Vasudeo Rao	03627850	Whole Time Director	8	No
Mr. Archit Aggarwal	08127356	Non-Executive Non-Independent Director	14	Yes
Mr. Sudhir Kumar Bassi	07819617	Non-Executive Independent Director	13	No
Ms. Priyanka Dixit Sibal	06578720	Non-Executive Independent Director	13	No
Mr. Mahendar Korthiwada	09558992	Non-Executive Independent Director	13	No
Mr. Shirish Gundopant Belapure	02219458	Non-Executive Independent Director	14	No

During the year, all the recommendations of all the Committees were accepted by the Board.

Number of directorships / committee memberships held by the Directors of the Company in other Companies including the names of the other listed entities where the Director holding directorship and the category of their directorship as on 31 March 2024: -

Name of the Director	DIN	No. of directorships in other public Companies	No. of Committee Chairmanship and Membership		Names of other Listed Companies in which he/ she holds directorship and category of directorship	No. of shares and convertible instrument held by Non-Executive Director
			Chairman-ship	Member-ship		
Mr. Manoj Kumar Lohariwala	00144656	2*	-	1**	NA	NA
Mr. Vinay Kumar Lohariwala	00144700	2*	1$		NA	NA
Mr. Jayant Vasudeo Rao	03627850	1	-	-	NA	NA
Mr. Archit Aggarwal	08127356	2	-	-	NA	4000
Mr. Sudhir Kumar Bassi	07819617	-	-	-	NA	NA
Ms. Priyanka Dixit Sibal	06578720	-	-	-	NA	NA
Mr. Mahendar Korthiwada	09558992	2	-	-	NA	NA
Mr. Shirish Gundopant Belapure	02219458	3	1	2	**Albert David Limited-** Non-Executive, Independent Director **Natural Capsules Limited-** Non Executive, Independent Director **Jubilant Phamova Limited** - Non Executive, Independent Director **JubilantGenericsLimited** w.e.f 20 June 2024	NA

* Mr. Manoj Kumar Lohariwala and Mr. Vinay Kumar Lohariwala is director in following companies:

1. Univentis Medicare Limited (Wholly Owned Subsidiary)
2. Innoventis Medicare Limited

** Mr. Manoj Kumar Lohariwala is a member of the Corporate Social Responsibility Committee of Univentis Medicare Limited.

$ Mr. Vinay Kumar Lohariwala is the Chairman of the Corporate Social Responsibility Committee of Univentis Medicare Limited.

Since the Company got listed on 29 December 2023, it was not mandatory for the Chairperson of the Audit Committee and Stakeholders Relationship Committee to attend the AGM for FY 2024.

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. The Board seeks a complementary diversity of skills and experience across its members. The table below summarizes the key qualifications, skills, expertise and competencies possessed by Directors of the Company:

Skills / Expertise / Competencies		Director who possess such skills / expertise / competencies
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.	Entire Board
Industry Experience	Experience and / or knowledge of the industry in which the Company Operates.	Mr. Manoj Kumar Lohariwala Mr. Vinay Kumar Lohariwala Mr. Jayant Vasudeo Rao Mr. Mahendar Korthiwada Mr. Shirish Gundopant Belapure
Financial Expertise	Qualification and / or experience in accounting and / or finance coupled with ability to analyse key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.	Mr. Vinay Kumar Lohariwala Mr. Sudhir Kumar Bassi Mr. Archit Aggarwal
Governance, Risk and Compliance	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks.	Mr. Vinay Kumar Lohariwala Mr. Sudhir Kumar Bassi Ms. Priyanka Dixit Sibal Mr. Jayant Vasudeo Rao
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.	Entire Board

Shareholding of Non-Executive Directors:

Details of the equity shares held by Non-Executive Directors as on 31 March 2024 are as under:

Name of the Director	Number of Equity shares
Mr. Archit Aggarwal	**4,000**

Corporate Governance Report (Contd.)

C. Independent Directors

The Board comprises of four Independent Directors out of which one is a women Independent Director. 50% of the Board of the Company is represented by Independent Directors. The Independent Directors hold office for a fixed term in compliance with the maximum tenure permitted under the SEBI Listing Regulations, the Act and as approved by the Shareholders of the Company. None of the Independent Directors of the Company have resigned during the financial year under review.

All the Independent Directors on the Board of the Company have submitted a declaration confirming that they meet the criteria of independence as mentioned in Regulation 16(1) (b) of the SEBI Listing Regulations read with Section 149(6) of the Act and that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The management has carried out an internal assessment of the declarations and confirmations submitted by the Independent Directors of the Company and after undertaking due assessment of the veracity of the same, is of the opinion that the Independent Directors of the Company fulfil the conditions specified in the Act and the SEBI Listing Regulations and are independent of the Management.

Further in accordance with the provisions of Section 150 of the Act read with the applicable rules made thereunder, all Independent Directors of the Company are registered with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs ("IICA") and unless exempted, have also passed the online proficiency self-assessment test conducted by IICA.

The Company has issued formal letters of appointment to the Independent Directors at the time of appointment of an Independent Director, which, inter alia, explains the roles, responsibilities and duties to be undertaken by him/her as an Independent Director of the Company. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of Independent Directors including their role, responsibility and duties are available on the website of the Company at https://www.innovacaptab.com/PDF/Terms%20&%20Conditions_Appointment%20of%20Independent%20Directors.pdf.

The Independent Directors of the Company met on 31 March 2024 under the Chairmanship of Mr. Sudhir Kumar Bassi without the presence of Non-Independent Directors to review the performance of Non-Independent Directors, the Board, Committees and the Chairperson. The meeting also reviewed the quality, quantity and timeliness of flow of information between the Company and the Board.

Familiarization Program

Independent Directors are introduced to the organization structure, Board procedures and business strategy. The details of familiarization programmes for Independent Directors have been provided in the Directors' Report and posted on the website of the Company and can be accessed at the web link https://www.innovacaptab.com/PDF/Familiarization%20Program.pdf.

D. Committees of the Board

The Board has constituted various Committees with an optimum representation of its members and with specific terms of reference in accordance with the Act and the SEBI Listing Regulations. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The Board has constituted the below mentioned mandatory committees:

1) Audit Committee
2) Nomination & Remuneration Committee
3) Stakeholders Relationship Committee
4) Corporate Social Responsibility (CSR) Committee and
5) Risk Management Committee

The Committees are represented by a combination of Executive Directors and Independent Directors of the Company. These Committees play an important role in the overall management of day to-day affairs and governance of the Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The recommendations of the Committee(s) are submitted to the Board for its approval.

During the year, all recommendations of the Committee(s) were duly considered and approved by the Board. Minutes of proceedings of Committee meetings are circulated to the respective Committee Members and placed before the Board for noting.

1. Audit Committee

Composition of the Audit Committee and the terms of reference are in compliance with the requirements under Section 177 of the Companies Act, 2013 ('Act') and of Regulation 18 of the Listing Regulations:

The terms of reference of the Audit Committee, inter alia, include:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference and
2. to seek information from any employee and
3. to obtain outside legal or other professional advice and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary and
5. such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

1. Oversight of financial reporting process and the disclosure of financial information relating to Innova Captab Limited (the "**Company**") to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor of the Company and the fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Formulation of a policy on related party transactions, which shall include materiality of related party transactions;
5. Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions; and
    g. Modified opinion(s) in the draft audit report.
7. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
8. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors of the Company (the "**Board**" or "**Board of Directors**") to take up steps in this matter;
9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

11. Approval of Related party transaction to which the subsidiary is a party;

Corporate Governance Report (Contd.)

12. Scrutiny of inter-corporate loans and investments;
13. Valuation of undertakings or assets of the Company, wherever it is necessary;
14. Evaluation of internal financial controls and risk management systems;
15. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
16. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
17. Discussion with internal auditors of any significant findings and follow up there on;
18. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
19. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
20. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
21. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
22. Reviewing the functioning of the whistle blower mechanism;
23. Monitoring the end use of funds raised through public offers and related matters;
24. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
25. Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
26. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
27. To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
28. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders and
29. Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations, Companies Act, 2013, uniform listing agreements and/or any other applicable law, as and when amended from time to time.

Meetings and Composition:

During the year under review, the Audit Committee met Ten (10) times, as follows:

Sl. No	Date	Sl. No	Date
1.	23 May 2023	6.	03 December 2023
2.	12 August 2023	7.	14 December 2023
3.	09 September 2023	8.	18 January 2024
4.	10 November 2023	9.	13 February 2024
5.	01 December 2023	10.	29 March 2024

Details of the composition of the Audit Committee and attendance at meetings are as follows.

Name of Members	Position on the Committee	Designation	Number of Meetings entitled to attend	Number of Meetings attended
Mr. Sudhir Kumar Bassi	Chairman	Non-Executive Independent Director	10	9
Mr. Mahendar Korthiwada	Member	Non-Executive Independent Director	10	9
Mr. Shirish Gundopant Belapure	Member	Non-Executive Independent Director	10	10
Mr. Vinay Kumar Lohariwala	Member	Managing Director	10	10

Ms. Neeharika Shukla, the Company Secretary and Compliance Officer of the Company is the Secretary of the Audit Committee.

2. Nomination and Remuneration Committee (“NRC”)

The Composition of NRC and the terms of reference are in compliance with the requirements under Section 178 of the Act and Regulation 19 of the Listing Regulations.

The terms of reference of NRC, inter alia, include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, Key Managerial Personnel and other employees (“**Remuneration Policy**”).

   The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

   i. The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
   ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   iii. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.

2. For every appointment of an independent director, evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
   (a) use the services of an external agencies, if required;
   (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
   (c) consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of independent directors and the Board;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director)
6. Analysing, monitoring and reviewing various human resource and compensation matters;
7. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

8. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors
9. Recommending to the board, all remuneration, in whatever form, payable to non-executive directors and the senior management and other staff, as deemed necessary
10. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time
11. Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws
12. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable
13. Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:
    i. Determining the eligibility of employees to participate under the ESOP Scheme
    ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate
    iii. Date of grant
    iv. Determining the exercise price of the option under the ESOP Scheme
    v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct
    vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period
    vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee
    viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period
    ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares
    x. The grant, vest and exercise of option in case of employees who are on long leave
    xi. Allow exercise of unvested options on such terms and conditions as it may deem fit
    xii. The procedure for cashless exercise of options
    xiii. Forfeiture/ cancellation of options granted
    xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
        - the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action
        - for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
14. Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/ plan ("**ESOP Scheme**") and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme.
15. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
    (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
    (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
16. Specifying the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
17. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

Meetings and Composition:

During the year under review, the Nomination and Remuneration Committee met Four (4) times as follows :

Sl. No	Date	Sl. No	Date
1.	23 May 2023	3.	10 November 2023
2.	12 August 2023	4.	27 March 2024

Details of the composition of the Nomination and Remuneration Committee and attendance at meetings are as follows.

Name of Members	Position in Committee	Designation	Number of Meetings entitled to attend	Number of Meetings attended
Mr. Sudhir Kumar Bassi	Chairman	Non-Executive Independent Director	4	4
Ms. Priyanka Dixit Sibal	Member	Non-Executive Independent Director	4	4
Mr. Mahender Korthiwada	Member	Non-Executive Independent Director	4	4
Mr. Archit Agarwal	Member	Non-Executive Director	4	4

Ms. Neeharika Shukla, the Company Secretary and Compliance Officer of the Company is the Secretary of the Nomination and Remuneration Committee.

Performance Evaluation Criteria for Independent Directors:

The Nomination and Remuneration Committee has adopted the performance evaluation criteria for Independent Directors which is in-line with the Guidance Note of SEBI on Board Evaluation. The said criteria provide certain parameters like knowledge, competency, fulfillment of functions, availability and attendance, initiative, integrity, contribution, Independence and independent views and judgement. The details of the performance evaluation carried out for FY 2024 is provided in the Boards' Report forming part of this Annual Report.

3. Stakeholders' Relationship Committee ("SRC")

The composition of SRC and the terms of reference are in compliance with the requirements under Section 178 of the Act and Regulation 20 of the Listing Regulations. The terms of reference of SRC, *inter alia*, include:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders
2. Review of measures taken for effective exercise of voting rights by shareholders
3. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities
4. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time
5. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services
6. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company
7. To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time
8. To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities
9. To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company
10. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority; and
11. Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations

Meetings and Composition:

During the period under review, the Stakeholders' Relationship Committee met One (1) time on 27 March 2024. Details of the composition of the Stakeholder Relationship Committee and attendance at the meeting are as follows.

Name of Members	Position in Committee	Designation	Number of Meetings entitled to attend	Number of Meetings attended
Mr. Sudhir Kumar Bassi	Chairman	Non-Executive Independent Director	1	1
Mr. Vinay Kumar Lohariwala	Member	Managing Director	1	1
Mr. Manoj Kumar Lohariwala	Member	Chairman & Whole Time Director	1	1

Ms. Neeharika Shukla, the Company Secretary and Compliance Officer of the Company is the Secretary of the Stakeholder Relationship Committee.

Investor Complaints:

Particulars	No. of Complaints
Pending at the beginning of the year i.e. 01 April 2023	0
Received during the year	658
Resolved during the year	657
Pending at the end of the year i.e. 31 March 2024	1

4. Corporate Social Responsibility Committee

Composition of the Corporate Social Responsibility Committee ("CSR" Committee) and the terms of reference are in compliance with the requirements under section 135 of the Companies Act, 2013.The terms of reference of the CSR Committee, inter alia, include:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
3. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company. The amount spent in pursuant of the "Corporate Social Responsibility Committee" shall be, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years;
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time;
7. The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:
    a) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
    b) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
    c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
    d) monitoring and reporting mechanism for the projects or programmes;
    e) details of need and impact assessment, if any, for the projects undertaken by the Company and
    f) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Meetings and Composition:

During the period under review, the Corporate Social Responsibility Committee met Two (2) times on 12 August 2023 and 27 March 2024. Details of the composition of the Committee and attendance at the meetings are as follows:

Name of Members	Position in Committee	Designation	Number of Meetings entitled to attend	Number of Meetings attended
Mr. Vinay Kumar Lohariwala	Chairman	Managing Director	2	2
Mr. Manoj Kumar Lohariwala	Member	Whole-Time Director	2	2
Mr. Sudhir Kumar Bassi	Member	Non-Executive Independent Director	2	2

Ms. Neeharika Shukla, the Company Secretary and Compliance Officer of the Company is the Secretary of the Corporate Social Responsibility Committee.

5. **Risk Management Committee ('RMC')**

Composition of Risk Management Committee and the terms of reference are in compliance with the requirements under Regulation 21 of the Listing Regulations. The terms of reference of the Risk Management Committee, inter alia, include:

1. To formulate a detailed risk management policy which shall include:
   a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee.
   b. Measures for risk mitigation including systems and processes for internal control of identified risks.
   c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. The Risk Management committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.
8. The Risk Management committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
9. Perform such other activities as may be delegated by the Board or specified / provided under the SEBI Listing Regulations, as amended or under any other applicable law or by any regulatory authority.

Meetings and Composition:

During the period under review, the Risk Management Committee met Two (2) times on 18 January 2024 and 27 March 2024. Details of the composition of the Risk Management Committee and attendance at meetings are as follows.

Name of Members	Position in Committee	Designation	Number of Meetings entitled to attend	Number of Meetings attended
Mr. Vinay Kumar Lohariwala	Chairman	Managing Director	2	2
Mr. Manoj Kumar Lohariwala	Member	Chairman &Whole-Time Director	2	2
Mr. Sudhir Kumar Bassi	Member	Non-Executive Independent Director	2	2

Ms. Neeharika Shukla, the Company Secretary and Compliance Officer of the Company is the Secretary of the Risk Management Committee.

IPO Committee

The Company had constituted the IPO Committee on 09 May 2022 for the purpose of giving effect to the IPO and listing the Equity Shares on one or more of the stock exchanges.

Six (6) meetings of the IPO Committee were held during the financial year ended 31 March 2024, as follows:

Sl.No.	Date	Sl.No	Date
1.	12 September 2023	4.	19 December 2023
2.	06 December 2023	5.	20 December 2023
3.	10 December 2023	6.	28 December 2023

Details of the composition of IPO Committee and attendance at meetings are as follows.

Name of Members	Position in Committee	Designation	Number of Meetings entitled to attend	Number of Meetings attended
Mr. Vinay Kumar Lohariwala	Chairman	Managing Director	6	6
Mr. Manoj Kumar Lohariwala	Member	Chairman &Whole-Time Director	6	6
Mr. Jayant Vasudeo Rao	Member	Whole-Time Director	6	3

Ms. Neeharika Shukla, the Company Secretary and Compliance Officer of the Company is the Secretary of the IPO Committee. IPO Committee dissolved vide Board Resolution dated 18 January 2024.

E. **Senior Management**

All the senior management persons of the Company are well qualified and have rich experience in their respective fields and contributing to the growth of the Company. The Company had defined the following persons as Senior Management of the Company:

Name of Senior Management Personnel ("SMP")	Designation	Changes if any, during the FY 2024 (Yes / No)	Nature of change	Effective date
Mr. Jayant Vasudeo Rao	Whole-Time Director	No	-	-
Mr. Rishi Gupta*	Chief Financial Officer	Yes	Demise	26April 2023
Mr. Lokesh Bhasin	Interim Chief Financial Officer	Yes	Appointment	23 May 2023
Mr. Mukeshkumar Siyaram Singh	Key Managerial Personnel	Yes	Appointment	30 June 2023
Mr. Lokesh Bhasin**	Interim Chief Financial Officer	Yes	Cessation	12 August 2023
Mr. Gaurav Srivastava	Chief Financial Officer	Yes	Appointment	12 August 2023
Mr. Gaurav Srivastava	Chief Financial Officer	Yes	Cessation	29 March 2024
Mr. Lokesh Bhasin	Chief Financial Officer	Yes	Appointment	30 March 2024
Ms. Neeharika Shukla	Company Secretary & Compliance Officer	No	-	-

*Mr. Rishi Gupta had an untimely demise on 26 April 2023.

**Mr. Lokesh Bhasin resigned as Interim Chief Financial Officer of the Company w.e.f. 11 August 2023 and has continued to be in employment of the Company as Deputy Chief Financial Officer.

F. **Remuneration of Directors**

Pursuant to provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder, the Board has adopted a Policy on criteria for appointment of Directors, Key Managerial Personnel, Senior Management and fixing their remuneration. The Nomination and Remuneration Policy is available on the website of the Company at https://www.innovacaptab.com/PDF/Nomination%20&%20Remuneration.pdf

a. **Service Contracts, Notice Period and Severance Fees**

As per Company policies, the notice period for resignation by the Executive Directors is 3 months. There is no separate provision for severance fees payable to the Executive Directors. Additionally, none of the Directors are eligible for any stock options. Based on the recommendation of Nomination & Remuneration Committee, all decisions relating to the remuneration of Directors are taken by the Board in accordance with the Shareholders' approval. Details of remuneration paid to Executive and Non- Executive Directors for the FY 2024 is provided hereinafter:

b. **Managing Director and Executive Directors**

The remuneration of the Managing Director and Whole-time Director(s) includes salary, bonus, perquisites, contribution to provident and superannuation fund and other benefits as per Company's policy as applicable from time to time. There is no variable / performance linked pay. Details of remuneration paid to executive directors for FY 2024 as per table given below:

(Amount ₹)

Directors	Salary	Bonus	Perquisites/ Benefits	Commission	Total
Mr. Manoj Kumar Lohariwala	6,200,000.00	-	-	-	6,200,000.00
Mr. Vinay Kumar Lohariwala	6,200,000.00	-	-	-	6,200,000.00
Mr. Jayant Vasudeo Rao	1,605,200.00	-	-	-	1,605,200.00

A. Non-Executive Directors

The Non-Executive Independent Directors of the Company are entitled to sitting fees for attending meetings of the Board and meetings of the committee for FY 2024.

(Amount ₹)

Director	Sitting fees
Priyanka Dixit Sibal	810,000.00
Sudhir Kumar Bassi	1,370,000.00
Shirish G Belapure	1,100,000.00
Mahendar Korthiwada	1,170,000.00

G. Material Subsidiaries

Details of Material Subsidiaries of the Company, identified as per the criteria prescribed under Regulation 16 and Regulation 24 of the Listing Regulations, for the year ended 31 March 2024 are as follows.

S. No	Name of the Material Unlisted Subsidiary Company	Date of Incorporation/ Acquisition	Place of Incorporation	Name and Date of appointment of the Statutory Auditors	Company's Independent Director on the material unlisted Subsidiary*
1	Univentis Medicare Limited	31 December 2021	Himachal Predesh	BSR & CO LLP 29 November 21	Mr. Mahendar Korthiwada
2	Sharon Bio-Medicine Limited	30 June 2023	Mumbai	EA Patil & Associates LLP 30 September 2023	Mr. Mahendar Korthiwada

Note: *Independent Directors are appointed pursuant to obligation under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable.

The policy for determining material subsidiaries of the Company is available on the website of the Company https://www.innovacaptab.com/PDF/Policy%20determining%20material%20Subsidiaries.pdf

Related Party Transactions

Pursuant to Regulation 23 of the Listing Regulations and applicable provisions of the Companies Act, 2013, the Company has formulated Policy on Materiality of and dealing with Related Party Transactions ("Related Party Transactions Policy") for dealing with related party transactions. All the related party transactions are entered in compliance with the provisions of the law and the Related Party Transactions Policy. The Related Party Transactions Policy was revised on 29 March 2024 to align it with the amendments carried out in the Listing Regulations. A copy of the Related Party Transactions Policy for dealing with related party transactions is available on the website https://www.innovacaptab.com/PDF/Policy%20on%20Related%20Party%20Transaction.pdf

The Company has also formulated a Policy on Determining Material Subsidiaries as required under Listing Regulations. A copy of this policy is available on the website https://www.innovacaptab.com/PDF/Policy%20determining%20material%20Subsidiaries.pdf

All applicable related party transactions are duly approved by the Audit Committee / Board as required under the provisions of the Companies Act, 2013 and Listing Regulations as well as the Related Party Transactions Policy of the Company. All contracts/ arrangements/ transactions entered by the Company during the year under review with the related parties were in the ordinary course of business and on an arm's length basis and are reported in the Notes to the Standalone Financial Statements. The transactions entered into pursuant to the omnibus and specific approvals, are reviewed periodically by the Audit Committee.

H. Prevention of Insider Trading

The Company has a Code of Conduct for Prevention of Insider Trading ('the Code') in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations') to regulate, monitor and report trading by the Designated Person(s)/ and other connected person(s). The structured digital database of Unpublished Price Sensitive Information (UPSI) is maintained with adequate internal controls. The Company's Code of practices and procedures for fair disclosure of unpublished price sensitive information is available on the website of the Company at https://www.innovacaptab.com/PDF/Code%20of%20internal%20procedures%20and%20conduct%20for%20regulating,%20monitoring%20and%20reporting%20of%20trading%20by%20insiders.pdf

I. Other Disclosures

- No transaction of a material nature has been entered into by the Company with its related parties that may have a potential conflict with the interests of the Company. A register of contracts containing transactions in which directors are interested, is placed before the Board of Directors regularly, as may be applicable. The transactions with the related parties as per Ind AS-24, are disclosed in Note no.42 of the Notes forming part of the Standalone Financial Statements for the year ended 31 March 2024.
- The Company has complied with all the requirements of regulatory authorities. During the period from the listing of the Company in December 2023 there were no instances of non-compliance by the Company on any matters related to the capital markets or penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets.
- The Company has laid down procedures to inform Board members about the risk assessment and its minimization, which is periodically reviewed to ensure that risk control is exercised by the management effectively.
- The Company has a Whistle Blower Policy/ Vigil Mechanism to monitor the actions taken on complaints received under the said policy. This policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee or external stakeholder blows the whistle for any wrongdoing in the Company. The policy is available on the website of the Company at https://www.innovacaptab.com/PDF/Vigil%20%20Mechanism%20&%20Whistle%20Blower%20Policy.pdf . The Company affirms that no personnel have been denied access to the Audit Committee.
- Apart from the sitting fees paid to Non-Executive Independent Directors, there are no pecuniary transactions with Non-Executive Independent Directors of the Company or the companies in which they are interested which had potential conflict of interest with the Company.
- Disclosure of Commodity price risks and commodity hedging activities:

  The Company purchases Active Pharmaceutical Ingredient (API) and other materials that are used in the manufacturing of drugs. The prices of raw materials generally fluctuate in line with commodity cycles over a short period of time. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company also has Risk Management framework to pro-actively mitigate the impact through measures like cost-based price increases, cost reduction measures, portfolio rationalization, renegotiating procurement contracts etc. Additionally, the Company also develops on an ongoing basis alternate supply sources for key products subject to economic justification. Most of these materials are sourced from the domestic market and therefore do not have significant foreign exchange fluctuation risks. The Company does not use any derivative contracts to hedge exposure to fluctuations in commodity prices.
- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): NA
- Certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or

continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority has been annexed as Annexure '3' to the Corporate Governance Report.

- The total fee paid to the Statutory Auditors of the Company during the year under review for statutory audit is ₹ 7,029,000 only apart from this , payment of ₹ 41,451,590 paid towards special purpose audit as required for IPO process.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are provided in the Boards' Report.

Following is the details required for the financial year ended 31 March 2024:

Particulars	Information
Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

- Details of compliance and adoption/nonadoption of the non-mandatory requirements for the year ended 31 March 2024:

i. The Company complies with all the mandatory requirements specified under the Listing Regulations.

ii. The Company submit on a quarterly basis, the quarterly financial results and investors' presentation with stock exchange and also publish on the Company's website.

iii. The auditors have issued an unmodified opinion on the financial statements of the Company.

iv. Director elected by the Board of Directors preside over the meetings of the Board in absence of the Chairman.

v. The Internal Auditor reports their findings to the Audit Committee.

vi. No loans and/ or advances in the nature of loans are given to the firms/companies in which directors are interested.

- During the year under review, the Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) and (t) of Regulation 46(2) of SEBI Listing Regulations, as applicable. There are no non-compliances of any requirement of the corporate governance report and all the required disclosures are made to stock exchanges and other regulatory bodies as and when required.
- During the year under review, the recommendations made by the Committees of Board of Directors to the Board, were accepted by the Board.

GENERAL SHAREHOLDER INFORMATION

1. **General Meetings**

A. Annual General Meeting:

Day, Date and Time	Wednesday, 18 September 2024, 11:00 A.M.(IST)
Venue	Video Conferencing

B. Location and time of the last three Annual General Meetings and the special resolutions passed, if any:

Year	Meeting	Location	Date and Time	Details of Special Resolution Passed
2020-21	17th Annual General Meeting	Khasra No. 1281/1, Hill Top Industrial Estate, Near EPIP, Phase-I, Jharmajri, District Solan, Baddi, Himachal Pradesh- 173205 (India)	30 November 2021 at 04:30 (IST)	No Special Resolution Passed
2021-22	18th Annual General Meeting	Second Floor, SCO No. 301 Sector 9, Panchkula, Haryana 134109, India	30 September 2022 at 5:00 PM (IST)	No Special Resolution Passed
2022-23	19th Annual General Meeting	Second Floor, SCO No. 301 Sector 9, Panchkula, Haryana 134109, India	14 August 2023 at 11:00 A.M. (IST)	No Special Resolution Passed

CEO / CFO Certification

The Managing Director & Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs Annexed as Annxure-2.

Means of Communication

- The Company's unaudited quarterly financial results and audited annual financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board.
- The financial results are published in English edition in Financial Express and Marathi edition in Mumbai Lakshadeep.
- The Company's results, official news releases and presentations made to Institutional Investors/ Analysts, if any, are displayed on the Company's website https://www.innovacaptab.com/investor-relations.php#fin-inf-id.
- Designated Exclusive Email ID: The Company has designated the email id i.e. _ investors@innovacaptab.com for investor grievances. This Email ID has been displayed on the Company's website https://www.innovacaptab.com/investor-relations.php#fin-inf-id.
- Annual Report: Annual Reports and any other communication will be sent to email ids of members whose emails are registered with the Company. All data required to be filed pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, such as annual report, quarterly financial statements, shareholding pattern, report on Corporate Governance are being regularly filed with the Stock Exchanges by the Company and is also available on the website of the Company, the web-link of which is https://www.innovacaptab.com/investor-relations.php#fin-inf-id
- A Management Discussion and Analysis report is a part of this Annual Report.

Shares Related Information

Listing Details

Particular	Details
Trading Symbol at BSE Limited	544067
Trading Symbol at National Stock Exchange of India Limited	INNOVACAP
Demat ISIN	INE0DUT01020

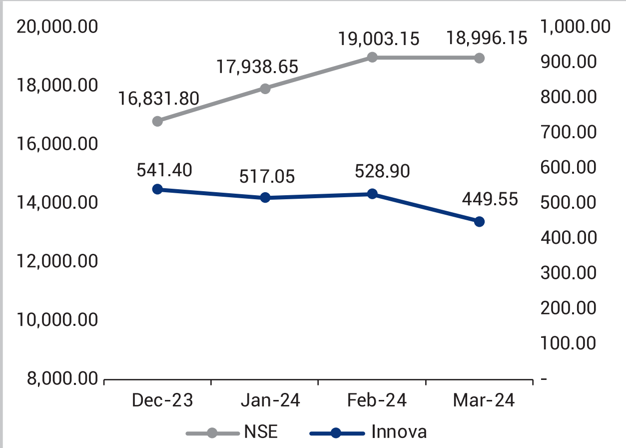
The Company has paid the Listing fees for the FY2024, to BSE Ltd. and National Stock Exchange of India Ltd.

Stock Market Data – Monthly High-Low

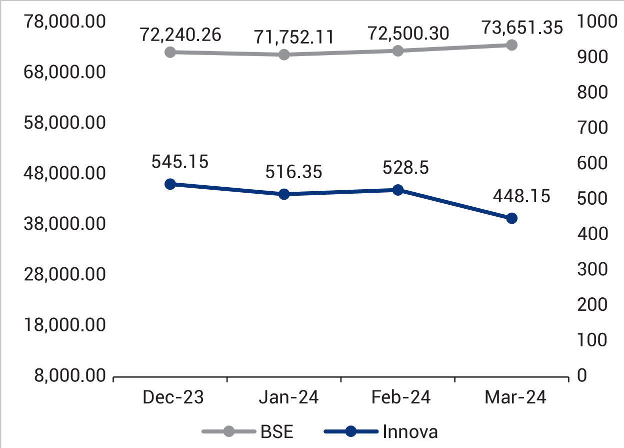
Particulars	BSE Ltd. (BSE) (in ₹)		National Stock Exchange of India Ltd. (NSE) (in ₹)	
	High Price	Low Price	High Price	Low Price
Dec-23	547.30	452.00	542.50	452.10
Jan-24	590.00	499.40	588.00	496.00
Feb-24	569.25	511.75	570.00	513.20
Mar-24	540.30	444.00	546.35	443.25

Share Price Performance in Comparison to Broad-based Indices

Innova Captab Limited & NSE Nifty (Pharma) closing price:



Innova Captab Limited & BSE Sensex closing price:



Share Transfer System

As of 31 March 2024, all shares of your Company are held in dematerialized form. The shares of your Company are traded on the stock exchanges compulsorily in dematerialized form, and as such, transfer of shares is not permitted in physical form. As on the date of this report, no shares were held in physical form.

Category-wise Shareholding as on 31 March, 2024 of Equity Shares

S no	Description	Total Shares	% Equity
1	Promoter Group	8,000	0.01
2	Promoters	29,119,321	50.89
3	Mutual Funds	7,082,436	12.38
4	Alternative Investment Fund	3,236,209	5.66
5	Qualified Institutional Buyer	1,567,184	2.74
6	Foreign Portfolio Investors	446,429	0.78
7	Foreign Portfolio - Corp	664,570	1.16
8	Resident Individuals	14,577,873	25.47
9	Non-Resident Indian Non Repatriable	34,733	0.06
10	Non-Resident Indians	9,234	0.02
11	Bodies Corporates	394,851	0.69
12	H U F	84,089	0.15
	Total	**57,224,929**	**100.00**

DEMATERIALIZATION OF SECURITIES

The equity shares of the Company are traded compulsorily in the dematerialized segment of all the stock exchanges and are under rolling settlement. As of 31 March 2024, 100% of the Company's shares are held in dematerialized form, with both National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). Shares held by promoters are all in dematerialized form. The demat security (ISIN) code for the equity share is INE0DUT01020. None of the securities of the Company are suspended from trading.

OUTSTANDING GDRS / ADRS / WARRANTS / ANY OTHER CONVERTIBLE INSTRUMENTS

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past. The Company does not have any outstanding instruments of the captioned type.

CREDIT RATINGS

Details of all credit ratings obtained by the Company for its borrowings including debt instruments are as follows:

Rating Agency	Instrument Type	Rating
CareEdge	Long Term Bank Facilities	CARE A-;
	Short Term Bank Facilities	CARE A2+

INVESTOR CORRESPONDENCE:

Compliance Officer	**Ms. Neeharika Shukla** **Company Secretary and Compliance Officer** Second Floor, SCO No. 301, Sector 9, Panchkula, Haryana 134 109, India Email: investors@innovacaptab.com Telephone: +91 172 4194500 Website : www.innovacaptab.com
Registrar	**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

Plant Locations as on 31 March 2024:

1. 81-B, EPIP, Phase-1, Jharmajri, Baddi, Distt. Solan [H.P.] - 174 103, India
2. 1281/1, Hilltop Industrial Estate, Near EPIP Phase-I, Jharmajri, Baddi, Distt. Solan [H.P.] - 174 103, India

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

Manoj Kumar Lohariwala
Chairman and Whole-Time Director
DIN: 00144656

Date: 09 August 2024
Place: Panchkula

Annexure 1 to Corporate Governance Report

To
The Shareholders,

AFFIRMATION OF COMPLIANCE WITH CODE OF BUSINESS CONDUCT

I, Vinay Kumar Lohariwala, Managing Director, declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Business Conduct for the period from 1 April 2023 or the date of their joining the Company, whichever is later, to 31 March 2024 from all Members of the Board and employees under Senior Management Cadre.

Vinay Kumar Lohariwala
Managing Director
DIN: 00144700

Date : 09 August 2024
Place : Panchkula

Annexure 2 to Corporate Governance Report

MD AND CFO CERTIFICATION

To,
The Board of Directors,
Innova Captab Limited

We, Vinay Kumar Lohariwala, Managing Director (MD) and Lokesh Bhasin, Chief Financial Officer (CFO) of Innova Captab Limited ("the Company") to the best of our knowledge and belief, certify that:

A. We have reviewed the financial statements and the cash flow statement for the financial year ended 31 March 2024 and that these statements:
   1. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   2. together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.

D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit committee that:
   1. there has been no significant change in internal control over financial reporting during the financial year ended 31 March 2024;
   2. there has been no significant change in accounting policies during the financial year ended 31 March 2024 and
   3. there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal control systems over financial reporting.

Vinay Kumar Lohariwala
Managing Director

Place: Panchkula
Date: 09 August 2024

Lokesh Bhasin
Chief Financial Officer

Place: Panchkula
Date: 09 August 2024

Annexure 3 to Corporate Governance Report

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015))

To
The Members
INNOVA CAPTAB LIMITED
(CIN: L24246MH2005PLC150371)
Registered Office: 601, Proxima, Plot No 19, Sector 30 A
Vashi Navi Mumbai, Thane, Maharashtra, India, 400705

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Innova Captab Limited** having **CIN: L24246MH2005PLC150371** and having registered office at **601, Proxima, Plot No 19, Sector 30 A Vashi Navi Mumbai, Thane, Maharashtra, India, 400705** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers (including by way of remote audit), we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on 31 March 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs under the Companies Act, 2013:-

S. No.	DIN	Name of the Director	Designation	Initial date of appointment
1	00144700	Mr. Vinay Kumar Lohariwala	Managing Director	03/03/2010
2	00144656	Mr. Manoj Kumar Lohariwala	Whole-time director	03/06/2009
3	03627850	Mr. Jayant Vasudeo Rao	Whole-time director	22/11/2017
4	08127356	Mr. Archit Aggarwal	Non-Executive/Non-Independent Director	01/04/2022
5	02219458	Mr. Shirish Gundopant Belapure	Non-Executive/Independent Director	01/04/2022
6	07819617	Mr. Sudhir Kumar Bassi	Non-Executive/Independent Director	01/04/2022
7	06578720	Ms. Priyanka Dixit	Non-Executive/Independent Director	01/04/2022
8	09558992	Mr. Mahendar Korthiwada	Non-Executive/Independent Director	01/04/2022

Ensuring the eligibility of the directors for appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

(Jaspreet Singh Dhawan)
Proprietor
Jaspreet Dhawan & Associates
Company Secretaries
Membership No: FCS – 9372
CP No.: 8545
Peer Review No: 1335/2021
UDIN: F009372F000945813

Date: 09 August 2024
Place: Mohali

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

To
The Members
INNOVA CAPTAB LIMITED
(CIN: L24246MH2005PLC150371)
Registered Office: 601, Proxima, Plot No 19, Sector 30 A
Vashi Navi Mumbai, Thane, Maharashtra, India, 400705

1. We have examined the compliance of conditions of corporate governance by **Innova Captab Limited** for the year ended 31 March 2024 as stipulated in Regulation 17 to 27 and 34(3) read with Schedule–V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the Audit conducted by us physically and also by way of electronic mode, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations to the extent applicable to it.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

(Jaspreet Singh Dhawan)
Proprietor
Jaspreet Dhawan & Associates
Company Secretaries
Membership No: FCS – 9372
CP No.: 8545
Peer Review No: 1335/2021
UDIN: F009372F000945274

Date: 09 August 2024
Place: Mohali

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

Details of the listed entity

1. **Corporate Identity Number (CIN):** L24246MH2005PLC150371
2. **Name of the Listed Entity:** Innova Captab Limited
3. **Year of Incorporation:** 03 January 2005
4. **Registered Office Address:** 601, Proxima, Plot No 19, Sector 30A, Vashi Navi Mumbai, Thane, Maharashtra, India, 400705.
5. **Corporate Address:** SCO-301, 2nd floor, Sector-9, Panchkula, Haryana - 134109, India
6. **E-mail:** cs_icl@innovacaptab.com
7. **Telephone:** +(91) 77100 87109
8. **Website:** https://www.innovacaptab.com
9. **Financial year for which reporting is being done:** 01 April 2023 to 31 March 2024
10. **Paid-up Capital:** ₹ 572,249,290
11. **Name of the Stock Exchange(s) where shares are listed:** BSE and National Stock Exchange of India
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**

    Name: Ms. Neeharika Shukla,
    Designation: Company Secretary
    Telephone Number: +(91) 77100 87109
    E-mail ID: cs_icl@innovacaptab.com
13. **Reporting boundary:** Standalone

Products/services

14. **Details of business activities (accounting for 90% of the turnover):**

Sr No	Description of main activity	Description of business activity	% of turnover
1.	Manufacturing of Pharmaceuticals	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	100

15. **Products / Services sold by the entity (accounting for 90% of the entity's turnover):**

Sr No	Product / Service	NIC Code	% of total turnover contributed
1.	Pharmaceutical Products & Manufacturing Services	210	100

Operations

16. **Number of locations where plants and / or operations / offices of the entity are situated:**

Locations	Number of plants	Number of offices	Total
National	2	2	4
International	0	0	0

17. **Markets served by the entity:**

    a) **Number of locations:**

Locations	Number
National (No. of States)	PAN India
International (No. of Countries)	25

    b) **What is the contribution of exports as a percentage of the total turnover of the entity?**

    Out of total turnover, the export sales contributed to ₹ 1,138.64 million (13%).

    c) **A brief on types of customers:** Different pharmaceutical companies in global markets and India are our customers.

Employees

18. **Details as at the end of financial year:**

    a) **Employees and workers (including differently abled):**

Sr No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	Employees					
1.	Permanent employees (D)	552	503	91%	49	9%
2.	Other than permanent employees (E)	-	-	-	-	-
3.	Total Employees (D+ E)	552	503	91%	49	9%
	Workers					
4.	Permanent workers	700	700	100%	-	-
5.	Other than permanent workers	-	-	-	-	-
6.	Total Workers (F +G)	700	700	100%	-	-

    b) **Differently abled employees and workers:**

Sr No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	Differently Abled Employees					
1.	Permanent employees (D)	-	-	-	-	-
2.	Other than permanent employees (E)	-	-	-	-	-
3.	Total Employees (D+ E)	-	-	-	-	-
	Differently Abled Workers					
4.	Permanent workers	1	1	100%	-	-
5.	Other than permanent worker	-	-	-	-	-
6.	Total Workers (F +G)	-	-	-	-	-

19. **Participation / Inclusion / Representation of women:**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	13%
Key Management Personnel	3	1	33%

20. **Turnover rate for permanent employees and workers:**

	Turnover rate in FY 2024 (Turnover rate in current FY)			Turnover rate in FY 2023 (Turnover rate in previous FY)			Turnover rate in FY 2022 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	37%	48%	38%	36%	53%	38%	32%	33%	32%
Permanent Workers	32%	-	32%	30%	-	30%	33%	-	33%

Holding, Subsidiary and Associate Companies (including Joint Ventures)

21. **Names of holding / subsidiary / associate companies / joint ventures:**

Sr No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / subsidiary / associate / joint venture	% of shares held by listed entity	Entity (A) participate in the business responsibility initiatives of the listed entity
1	Univentis Medicare Limited	Wholly Owned Subsidiary	100% hold by the company	No
2	Sharon Bio-Medicine Limited	Step down Subsidiary	100% hold by Univentis Medicare Limited	No

CSR Details

22. CSR Activities

I. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

II. Turnover: ₹ 8,649,289,962/-

III. Net worth: ₹ 7,237,166,938/-

IV. Amount of CSR spent during the financial year- ₹ 16,467,907/-

Transparency and Disclosures Compliances

23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place	FY 2024			FY 2023		
	If Yes, then provide web-link for grievance redress policy	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks
Communities	Yes	Nil	Nil	Vigil Mechanism & Whistle Blower Policy	Nil	Nil	Vigil Mechanism & Whistle Blower Policy
Investors (other than shareholders)	Not applicable						
Shareholders	Yes	Nil	Nil	Investor Grievance Policy	Nil	Nil	Investor Grievance Policy
Employees and workers	Yes	Nil	Nil	Vigil Mechanism & Whistle Blower Policy	Nil	Nil	Vigil Mechanism & Whistle Blower Policy
Customers	Yes	Nil	Nil	Vigil Mechanism & Whistle Blower Policy	Nil	Nil	Vigil Mechanism & Whistle Blower Policy
Value Chain Partners	Yes	Nil	Nil	Vigil Mechanism & Whistle Blower Policy	Nil	Nil	Vigil Mechanism & Whistle Blower Policy
Other (Please specify)	NA	Nil	Nil	-	Nil	Nil	-

Business Responsibility & Sustainability Report (Contd.)

24. Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Sr No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	**Environment:** • Environmental Incidents • Water Related Governance • Waste Management	Both Risk & Opportunity as well.	Any issue which may lead to non-compliance is a Risk and any issue leading to improving company performance & goodwill is an opportunity.	The Risk Management Committee (RMC) of Board of Directors formulate ESG Policy to comply with Environmental, Social & Governance compliance requirements.	Both positive & negative
2	**Social:** • Labour & Human Rights • Health & Safety • Employee well-being programs	Both Risk & Opportunity as well.	Any issue which may lead to non-compliance is a Risk and any issue leading to improving company performance & goodwill is an opportunity.	The Human Resource department of company formulated policies for employee's health, safety and well-being. Further, the Human Resource department periodically monitor all the employee related policies & procedures.	Both positive & negative
3	**Governance:** • Business Ethics • ESG Compliance • Board Independence Criteria	Both Risk & Opportunity as well.	Any issue which may lead to non-compliance is a Risk and any issue leading to improving company performance & goodwill is an opportunity.	The Risk Management Committee (RMC) of Board of Directors formulate ESG Policy to comply with Environmental, Social & Governance compliance requirements.	Both positive & negative

Section B: Management and Process Disclosures

Disclosure questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1	a.	**Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs.**	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
	b.	**Has the policy been approved by the Board?**	Yes	No	Yes	Yes	Yes	No	No	Yes	No
	c.	**Web Link of the Policies**	All the policies that were approved by the Board are available on the Company's Website								
2	**Whether the entity has translated the policy into procedures.**		Yes								

	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3	**Do the enlisted policies extend to your value chain partners?**	We are in the process of operationalizing the participation of the value chain partners by establishing relevant mechanisms.								
4	**Name of the national and international codes / certifications / labels / standards adopted by your entity and mapped to each principle**	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.								
5	**Specific commitments, goals and targets set by the entity with defined timelines**	a) Net Zero by 2040 b) Water Neutrality by 2030 c) Plastic waste recycle 90% by 2027								
6	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met**	We are in the process of implementing mechanisms to meet its environmental, social and governance objectives which shall be presented in the subsequent reports.								
	Governance, leadership and oversight									
7	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**	We are conducting our business operations honestly, morally, and in compliance with all applicable laws and ethical principles. As a responsible corporate entity, we are being continuously endeavouring to comply with Environmental, Social & Governance compliance requirements covering the aspects of Legal compliance, ethics & business conduct, quality & patient safety, human rights, labour and employment, health safety and well-being of employees, sustainability & environmental responsibility, quality management system. While we continue to integrate sustainability principles into our operations and deliver on our promises of sustainable value creation, we welcome your valuable feedback in order to improve our sustainability performance.								
8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Jayant Vasudeo Rao- Whole Time Director								
9	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details**	All the sustainability issues are handled by existing Board/ Committees.								

10 Details of Review of NGRBCs by the Company.

	Subject for review	Indicate whether review was undertaken by director / committee of the board / any other committee									Frequency (annually / half yearly / quarterly / any other)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
a	**Performance against above policies and follow up action**	Y	Y	Y	Y	Y	Y	N	Y	Y	During the period under review, the policies are reviewed periodically or on need basis.								
b	**Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances**	Y	Y	Y	Y	Y	Y	Y	Y	Y	The Company is in compliance with the extant regulations, as applicable.								

RMC Committee & Human Resource department is responsible to periodically review environmental, social and governance (ESG)/ sustainability matters pertaining to the Company.

Business Responsibility & Sustainability Report (Contd.)

			P1	P2	P3	P4	P5	P6	P7	P8	P9
11	**Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? If Yes, provide name of the agency.**		The policies of the Company are reviewed periodically / on a need basis by department heads / directors / board committees, wherever applicable.								
12	If principles not covered by a policy, provide reasons for the same.										
	Questions										
	a	**The entity does not consider the principles material to its business (Yes/No)**	-	-	-	-	-	-	-	-	-
	b	**The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)**	-	-	-	-	-	-	-	-	-
	c	**The entity does not have the financial or / human and technical resources available for the task (Yes/No)**	-	-	-	-	-	-	-	-	-
	d	**It is planned to be done in the next financial year (Yes/No)**	-	-	-	-	-	-	-	-	-
	e	**Any other reason**	Many of the principles are covered under various policies of the Company instead of a single policy document.								

SECTION C: PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year.**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	• The Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment and provide overview of the operations and familiarize the Directors on matters related to the Company's values and commitments, organization structure, constitution and terms of reference of the Committees, board procedures, management strategies etc. • The company also provide regular updates on the latest amendments to the various regulations – Corporate Laws, SEBI Regulations, Labour Laws and such other Statutes as may be applicable to the company.		100%
Key Managerial Personnel	As a part of the Board process specified above, all Key Managerial Personnel of the Company were also informed of various developments in the Company.		-
Employees other than BoD and KMPs	33*	Multiple training programmes covering all principles & topics such as Code of conduct, POSH, Safety, Health & Environment, Hazard Identification and Risk Assessment were regularly given by the Company during the year.	100%
Workers	33*	Multiple training programmes covering all principles & topics such as Code of conduct, POSH, Safety, Health & Environment, Hazard Identification and Risk Assessment were regularly given by the Company during the year.	100%

* Both employees and workers were provided wide ranging training in areas which will enhance health & safety and sustainable practices.

Business Responsibility & Sustainability Report (Contd.)

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory / enforcement agencies judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred?
Monetary					
Penalty / Fine	Nil				
Settlement					
Compounding fee					
Non-Monetary					
Imprisonment	Nil				
Punishment					

3. Of the instances disclosed in question 2 above, details of the appeal / revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
None	

4. Does the entity have an anti-corruption or anti-bribery policy? If Yes, provide details in brief and if available, provide a web-link to the policy.

Yes, we have Anti-Bribery and Corruption policy. The policy provides information and guidance on how to recognize and deal with bribery and corruption issues. The policy guides to act professionally, fairly and with utmost integrity in all our business dealings and relationships, wherever operate.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2024	FY 2023
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

The company did not receive any complaints in relation to conflict of interest.

	FY 2024		FY 2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

Since there were no complaints in relation to conflict of interest or corruption, corrective action does not arise.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024	FY 2023
Number of days of accounts payables	79	72

9. Open-ness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024	FY 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	10.96%	10.34%
	b. Sales (Sales to related parties / Total Sales)	15.12%	13.11%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	99.18%	Nil
	d. Investments (Investments in related parties / Total Investments made)	Nil	Nil

SECTION C: PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current financial year (%)	Previous financial year (%)	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Not applicable
Capex			

2. Does the entity have procedures in place for sustainable sourcing? If Yes, what percentage of inputs were sourced sustainably?

We have documented supplier code of conduct in place. Materials are procured from approved vendors both local and international. Our quality assurance team conducts periodic audits of vendors, especially those who supply key materials. We continue to receive unrelenting support from its vendors. We have long standing business relations with regular vendors adhering to sustainability principles which includes the following:

- Compliance with all Statutory norms labour, health, safety, environment and ethical standards
- Zero tolerance towards corruption, fraud, bribery and other unethical conduct
- Prohibition of child labour and protection of human rights
- Equal opportunities and no discrimination based on gender, race, age, caste etc.
- Protection of environment
- Safe and healthy workplace

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.

As a pharmaceutical Company, we strive to reduce our consumption of resources by using less energy, water, and materials. We are committed to reducing the amount of waste that is generated during the manufacturing and distribution processes. We encourage reuse of materials whenever possible; We encourage recycling all of our waste that cannot be reused. We are committed to recycling as much of our waste as possible, and we are always looking for new ways to reduce our environmental impact.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If Yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes. The Company has registered as an importer on the Central Pollution Control Board, Extended Producer Responsibility Portal for Plastic Waste as company imports goods/ materials that contain plastic component or are wrapped in plastic materials.

SECTION C: PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	503	503	100%	503	100%	0	-	0	-	0	-
Female	49	49	100%	49	100%	3	6%	0	-	0	-
Total	552	552	100%	552	100%	3	1%	0	-	0	-
Other than Permanent Employees											
Male	0	0	-	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	0	0	-	0	-	0	-	0	-	0	-

1b. Details of measures for the well-being of workers:

	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent Workers											
Male	700	700	100%	700	100%	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	700	700	100%	700	100%	0	-	0	-	0	-
Other than Permanent Workers											
Male	0	0	-	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	0	0	-	0	-	0	-	0	-	0	-

1c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024	FY 2023
Cost incurred on wellbeing measures as a % of total revenue of the company	0.016%	0.005%

2. Details of retirement benefits, for current financial year and previous financial year.

Benefits	FY 2024			FY 2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	98%	100%	Y	97%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
Employee State Insurance (ESI)	26%	80%	Y	35%	83%	Y
Others –please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, we are committed to providing a workplace that is accessible to all employees, regardless of their abilities.

Business Responsibility & Sustainability Report (Contd.)

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Labour & Human Rights Policy of the company which includes equal opportunity policy. Weblink: https://innovacaptab.com/PDF/Labour%20&%20Human%20Rights%20Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	-	-	-	-
Female*	100%	100%	-	-
Total	100%	100%	-	-

Note: While calculating the retention rate for the year, the Company has considered those women employees who joined back in the year 2022-23 after their maternity leave and have completed one year of service during the year 2023-24.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If Yes, give details of the mechanism in brief:

	If Yes, then give details of the mechanism in brief
Permanent Workers **Other than Permanent Workers** **Permanent Employees** **Other than Permanent Employees**	We have whistle blower policy in place that provides a mechanism for employees of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The complaint can be made to cs_icl@innovacaptab.com. The Company also has Internal Complaint Committee for handling the grievances arising from sexual harassment at the workplace, thereby adhering to the Prevention of Sexual Harassment Act. Employees can file any complaints/grievances related to sexual harassment at ghr@innovacaptab.com.

7. Membership of employees and worker in association(s) or unions recognised by the listed entity:

No such associations/ unions are in existence, the Company does not discriminate against employees/ workers who participate in associations/ unions.

8. Details of training given to employees and workers:

	FY 2024					FY 2023				
	Total (A)	Health and safety measures		Skill upgradation		Total (D)	Health and safety measures		Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E	% (E/D)	No. (F)	% (F / D)
Employees										
Male	503	503	100%	503	100%	482	482	100%	482	100%
Female	49	49	100%	49	100%	52	52	100%	52	100%
Total	552	552	100%	552	100%	534	534	100%	534	100%
Workers										
Male	700	700	100%	700	100%	743	743	100%	743	100%
Female	0	0	-	0	-	0	0	-	0	-
Total	700	700	100%	700	100%	743	743	100%	743	100%

9. Details of performance and career development reviews of employees and worker

	FY 2024			FY 2023		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	503	503	100%	482	482	100%
Female	49	49	100%	52	52	100%
Total	552	552	100%	534	534	100%
Workers						
Male	700	700	100%	743	743	100%
Female	0	0	-	0	0	-
Total	700	700	100%	743	743	100%

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? If Yes, the coverage such system?

Yes, the Company has implemented Environment, Health & Social (EHS) Policy which is applicable to all our manufacturing facilities, R&D facilities & subsidiaries. The Company ensures a safe and healthy work environment, actively takes steps to ensure there are no accidents or incidents.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

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.

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks

Yes, the Company has Standard Operating Procedures (SOP) for employees & workers to report on work related hazards and mitigation steps.

d) Do the employees / worker of the entity have access to non-occupational medical and healthcare services?

Yes

11. Details of safety related incidents:

Safety Incident / Number	Category*	FY 2024	FY 2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	4	6
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

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 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.

13. Number of Complaints on the following made by employees and workers:

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions Health and Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the locations are audited internally by the entity
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

There have been no adverse findings from the assessments undertaken for the reporting year and hence no corrective action undertaken on the above-mentioned parameters.

SECTION C: PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We engage with a broad range of stakeholders in its day-to-day business. The key stakeholders identified by the Company are Investors/shareholders, employees, regulators, suppliers/vendors, community, customer. Stakeholder engagement also helps to manage risks and opportunities in business operations.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

	Stakeholder Group	Whether identified as vulnerable and marginalized group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (annually / half yearly / quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Employees	No	- Email - Employee training - In person meetings - Employee recognition	Ongoing	Employee wellbeing and satisfaction is an integral part of the Company's growth. The key areas of interest for employees are: Employee Training, Growth & development, Employee recognition, no discrimination.
2	Investors/ Shareholders	No	- Investor meetings - Annual Reports - Earning Calls - Emails - Updates on company websites	Need based	Investors/ Shareholders form an integral part of the stakeholder group, influencing the decisions of the Company. The key areas of interest for the investors/ shareholders are: Corporate Governance, Transparency in Disclosures, Regulatory Compliance etc.
3	Suppliers/ Vendors	No	- Email - Audits - Virtual Meetings - In-person Meetings	Need based	The key areas of engagement with the suppliers are: Timely supply of materials as prescribed, timely payments and adherence to specifications.
4	Customer	No	- Email - Audits - Virtual Meetings - In-person Meetings	Need based	Customers form a vital part of the Company's stakeholder group. The key areas of interest for Customer are: Product quality, timely delivery as per agreed specifications, access and pricing.
5	Regulator	No	- Email - Helpdesk - In person Meetings/ Visiting offices - Statutory Submissions/ Acknowledgements	Need based	The key area of interests for the regulators is: Regulatory compliance.
6	Community	No	- Engagement through NGO/Charitable trusts - In-person Meetings - Virtual mode	Ongoing	The key areas of interest for community are: Community development programs with a focus on health, education, sanitation etc & prioritize hiring individuals from the local area to meet our manpower requirements whenever feasible. Further, engaging with NGOs streamline our CSR activities of the company.

SECTION C: PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

	FY 2024			FY 2023		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	552	552	100%	534	534	100%
Other than permanent	-	-	-	-	-	-
Total Employees	552	552	100%	534	534	100%
Workers						
Permanent	700	700	100%	743	743	100%
Other than permanent	-	-	-	-	-	-
Total Workers	700	700	100%	743	743	100%

2. **Details of minimum wages paid to employees and workers:**

	FY 2024					FY 2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage (C)		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		(B)	% (B / A)	(C)	% (C / A)		(B)	% (B / A)	(C)	% (C /A)
Employees										
Permanent	552	0	-	552	100%	534	0	-	534	100%
Male	503	0	-	503	100%	482	0		482	100%
Female	49	0	-	49	100%	52	0	-	52	100%
Other than Permanent	0	0	-	0	-	0	0	-	0	-
Male	0	0	-	0	-	0	0	-	0	-
Female	0	0	-	0	-	0	0	-	0	-
Workers										
Permanent	700	73	10%	627	90%	743	236	32%	507	68%
Male	700	73	10%	627	90%	743	236	32%	507	68%
Female	0	0	-	0	-	0	0	-	0	-
Other than Permanent	0	0	-	0	-	0	0	-	0	-
Male	0	0	-	0	-	0	0	-	0	-
Female	0	0	-	0	-	0	0	-	0	-

3. **Details of remuneration / salary / wages:**

Median remuneration / wages:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	6	1,487,600	1	810,000
Key Managerial Personnel	2	1,248,032	1	657,008
Employees other than BoD and KMP	678*	208,150	72*	192,833
Workers	929*	135,450	0	Nil

* Employees & workers count reflect those employed during the year.

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4. **Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   Yes, the HR representative nominated by the management, governed by Labour & Human Rights Policy, is responsible for addressing human rights impacts.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   We have Labour & Human Rights Policy which encourage our employees to address or report internal & external issues in line with internal reporting procedures. The weblink of Labour & Human Rights Policy: https://innovacaptab.com/PDF/Labour%20&%20Human%20Rights%20Policy.pdf

6. **Number of Complaints on the following made by employees and workers:**

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace						
Child Labour						
Forced Labour / Involuntary Labour						
Wages						
Other human rights related issues						

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024	FY 2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder, to redress complaints received regarding sexual harassment.

9. **Do human rights requirements form part of your business agreements and contracts?**

   Yes, Human Rights requirements form part of the Company's business agreements.

10. **Assessments for the year:**

	% of plants and offices that were assessed
Child labour	100% of the locations are audited internally by the entity.
Forced / involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

    Not applicable.

BRSR SECTION C: PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity:**

Parameter	FY 2024	FY 2023
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	24,218,429	25,410,920
Total energy consumed from renewable source (A+B+C) (in Mega Joules)	24,218,429	25,410,920
From non-renewable sources		
Total electricity consumption (D)	45,080,982	43,566,336
Total fuel consumption (E)	9,576,000	5,905,200
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F) (in Mega Joules)	54,656,982	49,471,536
Total energy consumed (A+B+C+D+E+F) (in Mega Joules)	78,875,411	74,882,456
Energy intensity per rupee of turnover (Total energy conumption in Mega Joule/Revenue from operations)	0.00912	0.00872
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	No	

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If Yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken.**

   No, the Company is not identified as a designated consumer under the Performance Achieve and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water:**

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	129,143	104,760
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	129,143	104,760
Total volume of water consumption (in kilolitres)	129,143	104,760
Water intensity per rupee of turnover (Water Consumed in litre / Revenue from operations)	0.015	0.012
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity		
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?) If yes, name of the external agency.	No	

Business Responsibility & Sustainability Report (Contd.)

4. **Provide the following details related to water discharged:**

   The Company has an effluent treatment plant. This process has been designed to manage wastewater economically and produce clean water suitable for reuse in gardening, cooling towers and in washrooms. We also take care to optimise our water consumption through the following strategies: Installing flow meters for regular monitoring of consumption of water. Recharging of ground water source / borewell by rainwater harvesting.

	FY 2024	FY 2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water	-	-
- *No treatment*	-	-
- *With treatment – please specify level of treatment*	-	-
(ii) To groundwater	-	-
- *No treatment*	-	-
- *With treatment – please specify level of treatment*	-	-
(iii) To seawater	-	-
- *No treatment*	-	-
- *With treatment – please specify level of treatment*	-	-
(iv) Sent to third-parties	-	-
- *No treatment*	-	-
- *With treatment – please specify level of treatment*	15,972	15,341
(v) Others	-	-
- *No treatment*	-	-
- *With treatment – please specify level of treatment*	-	-
Total water discharged (in kilolitres)	15,972	15,341
Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If Yes, name of the external agency	No	

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If Yes, provide details of its coverage and implementation.**

   Currently, we have no mechanism for zero liquid discharge. All the manufacturing units has an effluent treatment plant to manage wastewater and produce clean water suitable for reuse in gardening, cooling towers and in washrooms.

6. **Please provide details of air emissions (other than GHG emissions) by the entity:**

Parameter	Unit	FY 2024	FY 2023
NOx	μg/m^3	11	14
Sox	μg/m^3	9	9
Particulate matter (PM-10)	μg/m^3	72	85
Particulate matter (PM-2.5)	μg/m^3	31	30
Persistent organic pollutants (POP)	NA	Nil	Nil
Volatile organic compounds (VOC)	NA	Nil	Nil
Hazardous air pollutants (HAP)	NA	Nil	Nil
Others – please specify	NA	Nil	Nil
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency	Shivalik Solid Waste Management Limited		

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:**

Parameter	Unit	FY 2024	FY 2023
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	611.04	376.81
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	10,143.22	9,802.43
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 CHG emission (In Kg) / Revenue from operations)		0.00124	0.00119
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	**CO_2 equivalent/ Metric tonnes**	-	-
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	No		

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

The Company is committed to continuously improve energy performance and conserve energy in its various operations along with reducing GHG emissions.

Major projects related to reducing GHG emission are listed below:

- In our manufacturing facility, we have changed boiler fuel from diesel to Agro Waste Briquettes.
- Installation of Heat Pump to generate hot water for HVAC purpose which has resulted in reduction in electricity consumption.
- Installation of VFD (Variable Frequency Drives) in various pumps and blowers to reduce electricity consumption.
- Collection of all condensate water to re-feed to boiler which in turn reduces the water makeup of the boiler and fuel consumption.

9. **Provide details related to waste management by the entity:**

	FY 2024	FY 2023
Total waste generated (in metric tonnes)		
Plastic waste (A)	30.33	28.60
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other hazardous waste. Please specify, if any. (G)	-	-
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	30.33	28.60
Waste intensity per rupee of turnover (Total waste generated in Kg / Revenue from operations)	0.000004	0.000003
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If Yes, name of the external agency.	No	

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

We incorporate a waste management practices towards waste minimization, segregation and safe disposal.

11. **If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:**

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable. None of our Plant is at any ecologically sensitive areas.		

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency	Results communicated in public domain	Relevant web link
Requirement for carrying out environmental impact assessment did not arise during the current financial year.					

13. **Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances:**

Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, we are complaint with all applicable environmental laws/ regulations/ guidelines in India. We had no major non-compliances for FY 2024.			

SECTION C: PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1a. Number of affiliations with trade and industry chambers / associations.

The company is a member of five trade and industry chambers/ associations.

1b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to:

Sr No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Pharmaceuticals Export Promotion Council of India (Pharmexcil)	National
2	PHD Chamber of Commerce of Commerce and Industry	National
3	Himachal Drugs Manufacturers Association	National
4	Federation of Pharma Entrepreneurs	National
5	Baddi Barotiwala Nalagarh Association	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
No such instance during the financial year.		

SECTION C: PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
The Company did not undertake any Social Impact Assessments of projects.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Nil					

3. Describe the mechanisms to receive and redress grievances of the community.

The communities can raise their grievances as per the mechanism provided in our Whistle Blower & Vigil Mechanism available on our website of the Company.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024	FY 2023
Directly sourced from MSMEs/ small producers	0.32%	0.43%
Directly from within India	95.55%	91.80%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024	FY 2023
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	-	-

Business Responsibility & Sustainability Report (Contd.)

SECTION C: PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have standard procedure of dealing with all such consumer complaints in a time bound manner. For handling market complaints from Regulated markets, Standard Operating Procedures are in place through Quality Assurance department. Once a product quality complaint is received by the Company, it is acknowledged, and an assessment is undertaken to identify the nature and severity of complaint. Along with the initial evaluation, a follow-up is initiated for requesting the complaint sample and any additional information to facilitate the assessment and the investigation. A remedial action plan is launched after the investigation is completed and the root cause is determined. A complaint summary report is also prepared at the same time. The complaint is finally closed after a final risk assessment is completed and a response is delivered to the complainant.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	100%
Recycling and / or safe disposal	Not applicable

3. Number of consumer complaints in respect of the following:

	FY 2024			FY 2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil			Nil		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive trade practice						
Unfair trade practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.

Yes, Weblink of the Policy of Cybersecurity- https://innovacaptab.com/PDF/Cyber%20Security%20Policy.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such incidents were reported during the reporting period.

7. Provide the following information relating to data breaches:

a. **Number of instances of data breaches** Nil

b. **Percentage of data breaches involving personally identifiable information of customers:** Nil

c. **Impact, if any, of the data breaches:** Not applicable

Independent Auditor's Report

To the Members of Innova Captab Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Innova Captab Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTER(S)

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

Revenue Recognition-Fraud Risk

Refer Note 29 of standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company recognises revenue from sale of products and services when control over goods is transferred to customer/ services are rendered based on specific terms and conditions of sale/service contracts entered into with respective customers. We have identified recognition of revenue as a key audit matter as– • revenue is a key performance indicator; and • there is a presumed fraud risk of revenue being overstated through manipulation of the timing and amount of revenue recognized due to pressures to achieve performance targets as well as meeting external expectations.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: 1. Assessing the compliance of the Company's revenue recognition policies with Ind AS 115 i.e. revenue from Contracts with Customers; 2. Evaluating the design and implementation and testing operating effectiveness of relevant key internal controls with respect to revenue recognition; 3. Performing substantive testing on samples selected using statistical sampling method for revenue transactions recorded during the year by testing underlying documents such as: — invoices, — goods dispatch notes, — third party shipping documents / customer acceptances (as applicable), and — subsequent receipts in the bank statements (as applicable) to assess revenue is recognized in relevant period in which control is transferred or services are provided;

The key audit matter	How the matter was addressed in our audit
	4. Testing of journals posted to revenue ledger selected based on specified risk-based criteria to identify unusual items; 5. Testing on a sample basis using statistical sampling method, specific revenue transactions recorded before and after the financial year end date to check revenue recognition in the correct financial period; 6. Carrying out analytical procedures on revenue recognized during the year to identify unusual variances; 7. Testing contractual terms to assess performance obligation and basis for revenue recognition; 8. Assessing adequacy of disclosures in the financial statements against the requirements of Ind AS 115.

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(B) (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Company as on 15 April 2024, 15 May 2024, 16 May 2024, 17 May 2024, 18 May 2024 and 24 May 2024 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(B) (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 46(i) to the standalone financial statements.

   b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   d. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 50(v) to the standalone financial statements, 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 Company 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 50(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

   e. The Company has neither declared nor paid any dividend during the year.

   f. Based on our examination which included test checks, the Company has used accounting softwares' for maintaining its books of account which have a feature of recording audit trail (edit log) facility.

   The feature of recording audit trail (edit log) facility for one of the accounting software has not operated throughout the year as it was enabled by the Company in a phased manner from 27 January 2024 for certain tables/fields relating to revenue, trade receivables, inventory, fixed assets, tax, cash and bank records, general ledger and

Independent Auditor's Report (Contd.)

other allied areas of the said accounting software. The feature of recording audit trail facility for the above has been operating for the period since when the same has been enabled for all relevant transactions recorded in the said software. In addition, the feature of recording audit trail (edit log) facility was not enabled at the application layer for the period from 01 April 2023 to 31 March 2024 for certain remaining tables/fields relating to revenue, trade receivables, inventory, fixed assets, tax, cash and bank records, purchases, trade payable, general ledger and other allied areas of the said accounting software.

The feature of recording audit trail (edit log) facility was enabled at the database layers to log any direct data changes for the said accounting software used for maintaining the books of account, however, the logs generated were not readable due to current system functionality.

Based on our examination which included test checks, the Company has used a separate accounting software for maintaining its books of account related to payroll which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the said accounting software. Further, the audit trail was not enabled at the database level for this accounting software to log any direct data changes.

For the period where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with during the course of our audit for one of the accounting software and are unable to test the same for the other accounting software relating to payroll due to certain system inherent limitations.

C. In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Gaurav Mahajan
Partner
Membership No.: 507857
ICAI UDIN:24507857BKFUQB5901

Place: Panchkula
Date: 29 May 2024

Annexure A

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) 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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) 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 (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Descripti on of property	Gross carrying value (In ₹ million)	Held in the name of	Whether promoter, director or their relative or employee	Period held-indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Industrial Plot together with factory building at EPIP Phase 1, Jharmajri, Baddi, Himachal Pradesh	34.02	M/s Flex Art Foil Limited (formerly known as M/s Flex Art Foil Pvt. Ltd.)	No	FY 2023-24	The Company has acquired this asset in E-auction under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. The Company is in the process of getting the asset transfered in its name.

(d) 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 not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) 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	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/ statement subsequently rectified
30 June 2023	Yes Bank, SBI Bank, HSBC Ltd., HDFC Bank	Inventory	898.87	921.08	(22.11)	No
		Trade Receivable	2,544.89	2,497.30	47.59	No
		Trade Payable	1,687.12	1,641.31	45.81	No

Annexure A to the Independent Auditor's Report (Contd.)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/ statement subsequently rectified
31 December 2023	Yes Bank,SBI Bank, HDFC Bank	Trade Payable	2,110.70	2,086.32	24.38	No
31 March 2024	Yes Bank, SBI Bank, HDFC Bank	Inventory	939.90	940.98	(1.08)	No
		Trade Receivable	2,173.88	2,173.54	0.34	No
		Trade Payable	1,535.12	1,519.06	16.06	No

As informed to us, the Company submits drawing power (DP) statements within 20 days from end of the respective quarters, in which DP limit is computed as per the terms and conditions of the sanction letter. The quarterly returns/ statement submitted to banks were prepared before incorporating the impact of certain book closure adjustments pertaining to goods in transit, advances from customers and advances to vendors w.r.t. inventory, trade receivables and trade payables respectively. Further, the actual utilization of working capital remained within the bank sanction/ DP limits for the year ended 31 March 2024.

(iii) 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 not made any investments or given any security or advance in nature of loans to companies, firms, limited liability partnership or any other parties and has not provided guarantees and granted loans to firms or limited liability partnership during the year. The Company has provided guarantee and granted unsecured loans to companies and other parties in respect of which the requisite information is as below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or stood guarantee to any other entity as below:

Particulars	Non-interest bearing loans (In ₹ million)	Guarantees given (In ₹ million)	Loan (In ₹ million)
Aggregate amount during the year			
– Subsidiary *	-	2,100	1,366
– Others (Employees of the Company)	8.20	-	-
Balance outstanding as at balance sheet date			
– Subsidiary *	-	300	1,366
– Others (Employees of the Company)	11.05	-	-

*As per Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not made any investment or given security or granted advances in the nature of loan during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular except for the loan of ₹ 1,366 million given to its subsidiary company which is repayable on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. However, payment of interest was not stipulated in case of non-interest bearing loans given as per approved policy of the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

Annexure A to the Independent Auditor's Report (Contd.)

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) 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 the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loan to its subsidiary company as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

Particulars	Related Parties (In ₹ million)
Aggregate of loans/advances in nature of loan	
- Repayable on demand (A)	1,366.00
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	1,366.00
Percentage of loans/advances in nature of loan to the total loans	99%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) 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 Goods & Service Tax and 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 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no 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 with the appropriate authorities on account of any dispute.

(viii) 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 not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

Annexure A to the Independent Auditor's Report (Contd.)

(ix) (a) 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 not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) 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 not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) In our opinion and according to the information and explanations given to us, the Company has utilised the money raised by way of initial public offer for the purposes for which they were raised though idle/surplus funds which were not required for immediate utilisation as at the year ended 31 March 2024 have been temporarily invested in fixed deposits. There were no funds raised by way of further public offer (including debt instruments).

(b) 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 not made any private placement of shares or fully or partly convertible debentures during the year. In our opinion, in respect of preferential allotment of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of audit for the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

Annexure A to the Independent Auditor's Report (Contd.)

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company as detailed in note 50(xii) to the financial statements. For reporting on this clause / sub clause, while we have performed audit procedures set out in the Guidance Note on CARO 2020, we have relied on and not been able to independently validate the information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Gaurav Mahajan
Partner
Membership No.: 507857
ICAI UDIN:24507857BKFUQB5901

Place: Panchkula
Date: 29 May 2024

Annexure B

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Innova Captab Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including

the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Gaurav Mahajan
Partner
Place: Panchkula Membership No.: 507857
Date: 29 May 2024 ICAI UDIN:24507857BKFUQB5901

Standalone Balance Sheet

As At 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	5a	1,445.82	1,468.16
(b) Right-of-use assets	6	182.62	137.88
(c) Capital work-in-progress	5a	3,389.83	215.43
(d) Intangible assets	5b	7.11	7.69
(e) Financial assets			
(i) Investments	7	600.00	600.00
(ii) Loans	8	1,373.32	4.78
(iii) Other financial assets	9	8.42	5.06
(f) Other tax assets (net)	10	-	4.12
(g) Other non-current assets	11	169.17	556.43
Total non-current assets		**7,176.29**	**2,999.55**
(2) Current assets			
(a) Inventories	12	939.90	972.72
(b) Financial assets			
(i) Trade receivables	13	2,173.88	2,296.76
(ii) Cash and cash equivalents	14	113.89	31.35
(iii) Bank balances other than (ii) above	15	749.63	118.50
(iv) Loans	16	3.73	9.81
(v) Other financial assets	17	63.78	70.33
(c) Other current assets	18	329.56	284.34
Total current assets		**4,374.37**	**3,783.81**
Total assets		**11,550.66**	**6,783.36**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	19	572.25	480.00
(b) Other equity	20	6,664.92	2,203.20
Total equity		**7,237.17**	**2,683.20**
Liabilities			
(2) Non- current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	2,081.98	1,341.77
(ii) Lease liabilities	6	22.42	13.84
(iii) Other financial liabilities	22	-	78.94
(b) Provisions	23	26.66	27.60
(c) Deferred tax liabilities (net)	38	48.42	43.96
(d) Other non-current liabilities	24	-	0.85
Total non-current liabilities		**2,179.48**	**1,506.96**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	325.87	1,010.10
(ii) Lease liabilities	6	8.95	2.07
(iii) Trade payables	25		
- total outstanding dues of micro and small enterprises		0.12	0.50
- total outstanding dues of creditors other than micro and small enterprises		1,535.00	1,480.34
(iv) Other financial liabilities	26	213.54	63.17
(b) Other current liabilities	27	35.99	32.00
(c) Provisions	23	6.68	5.02
(d) Current tax liabilities (net)	28	7.86	-
Total current liabilities		**2,134.01**	**2,593.20**
Total liabilities		**4,313.49**	**4,100.16**
Total equity and liabilities		**11,550.66**	**6,783.36**

Material accounting policies	3
Notes to the Standalone Financial Statements	5-52

The accompanying notes form an integral part of the Standalone Financial Statements.

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

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Place: Panchkula
Date: 29 May 2024

Standalone Statement of Profit and Loss

for the year ended 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

	Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
I	Revenue from operations	29	8,649.29	8,586.73
II	Other income	30	107.18	87.34
III	**Total Income (I + II)**		**8,756.47**	**8,674.07**
IV	**Expenses**			
	Cost of materials consumed	31	6,404.67	6,471.21
	Purchase of stock-in-trade	32	64.00	216.48
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	(13.51)	(14.80)
	Employee benefits expense	34	501.11	435.97
	Finance costs	35	135.91	183.00
	Depreciation and amortization expense	36	113.99	106.56
	Other expenses	37	613.32	492.58
	Total expenses (IV)		**7,819.49**	**7,891.00**
V	**Profit before tax (III-IV)**		**936.98**	**783.07**
VI	**Tax expense:**			
(i)	Current tax	38	251.84	188.61
(ii)	Deferred tax charge	38	3.53	18.94
	Total tax expense (VI)		**255.37**	**207.55**
VII	**Profit for the year (V-VI)**		**681.61**	**575.52**
VIII	**Other comprehensive income / (loss)**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit obligation		3.70	(0.79)
	Income tax relating to items that will not be reclassified to profit or loss		(0.93)	0.20
	Other comprehensive income/ (loss) for the year (net of tax)		**2.77**	**(0.59)**
IX	**Total comprehensive income for the year (VII+VIII)**		**684.38**	**574.93**
	Earnings per equity share			
	Basic and diluted [nominal value of ₹ 10 per share]	39	13.48	11.99

Material accounting policies	3
Notes to the Standalone Financial Statements	5-52

The accompanying notes form an integral part of the Standalone Financial Statements.

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

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Place: Panchkula
Date: 29 May 2024

Standalone Statement of Cash flow

for the year ended 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A	**Cash flows from operating activities**		
	Profit before tax for the year	**936.98**	**783.07**
	Adjustments for:		
	Depreciation and amortization expense	113.99	106.56
	Expected credit (reversal) on trade receivables	(2.08)	(2.43)
	Bad debts written off	0.82	2.59
	Net profit on sale of property, plant and equipment	(0.41)	(2.86)
	Unrealized foreign exchange (gain)	(2.44)	(6.54)
	Amortization of government grant	(0.43)	(21.52)
	Finance costs	135.91	181.64
	Provision for obsolete inventory	16.16	4.45
	Loss/(gain) on fair valuation of cumulative compulsorily convertible preference shares	19.36	(19.76)
	Loan to employee written off	5.10	-
	Interest income	(62.87)	(6.29)
	Operating cash flows before working capital changes	**1,160.09**	**1,018.91**
	Working capital adjustments:		
	Decrease in inventories	16.66	75.70
	Decrease/(increase) in trade receivables	126.59	(551.85)
	Increase in trade payables	54.28	76.53
	Decrease/(increase) in loans	1.56	(9.63)
	Decrease/(increase) in other financial assets	13.33	(23.97)
	Decrease/(increase) in other non-current assets	0.96	(0.26)
	(Increase) in other current assets	(45.22)	(9.81)
	Increase/(decrease) in other current liabilities	4.42	(9.97)
	Increase in other financial liabilities	19.51	8.63
	Increase in provisions	4.42	7.59
	Cash generated from operating activities	**1,356.60**	**581.87**
	Income tax paid (net)	(239.86)	(189.08)
	Net cash generated from operating activities (A)	**1,116.74**	**392.79**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets (including capital-work-in progress)	(2,772.30)	(788.91)
	Proceeds from sale of property, plant and equipment and intangible assets	1.16	7.34
	Interest income received	53.06	3.87
	Loan given to subsidiary	(1,366.00)	-
	Bank deposits made	(631.46)	(118.13)
	Proceeds from redemption of bank deposits	-	20.50
	Net cash (used in) investing activities (B)	**(4,715.54)**	**(875.33)**
C	**Cash flows from financing activities**		
	Proceeds from issue of share including securities premium (net of share issue expenses)	3,231.09	-
	Proceeds from issue of cumulative compulsorily convertible preference shares	-	500.00
	Principal payment of lease liabilities	(8.14)	(3.21)
	Finance cost paid[5]	(67.52)	(106.79)
	Repayments of non-current borrowings	(161.32)	(350.56)
	Proceeds from non-current borrowings	1,688.27	495.13
	Repayment of current borrowings (net)	(1,001.04)	(21.69)
	Net cash generated from financing activities (C)	**3,681.34**	**512.88**
	Net increase in cash and cash equivalents (A+B+C)	**82.54**	**30.34**
	Cash and cash equivalents at the beginning of the year	31.35	1.01
	Cash and cash equivalents at the end of the year	**113.89**	**31.35**

Standalone Statement of Cash flow
for the year ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

Notes:

1. **For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash on hand	0.32	0.25
Balances with banks - in current accounts	113.57	31.10
Cash and cash equivalents at the end of the year	**113.89**	**31.35**

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

3 **Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities:**

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings at the beginning of the year	1,883.42	1,760.54
Proceeds from non-current borrowings	1,688.27	495.13
Repayments of non-current borrowings	(161.32)	(350.56)
Repayment of current borrowings (net)	(1,001.04)	(21.69)
Transaction costs related to borrowings	(1.48)	-
Borrowings at the end of the year	**2,407.85**	**1,883.42**

4 **Reconciliation of movements of lease liabilities to cash flows arising from financing activities during the year:**

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at beginning of the year	15.91	5.81
Additions	20.98	13.29
Accreditation of interest	2.62	1.52
Payment of lease liabilities	(8.14)	(4.71)
Balance as at end of the year	**31.37**	**15.91**

5 Interest paid includes the interest portion of the lease liabilities.

Material accounting policies 3
Notes to the Standalone Financial Statements 5-52
The accompanying notes form an integral part of the Standalone Financial Statements.

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: 29 May 2024

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Standalone Statement of Changes in Equity

for the year ended 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

A Equity share capital (refer note 19)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the reporting year	48,000,000	480.00	1,200,000	120.00
Add: Sub-division of 1 share of face value 100/- each into 10 share of face value 10/- each effective 04 April 2023 (Increase in shares on account of sub-division) (refer note 19)	-	-	10,800,000	-
Add:- Bonus share issued during the year (refer note 19)	-	-	36,000,000	360.00
Add:- Fresh issue of equity shares	9,224,929	92.25	-	-
Balance at the end of the reporting year	**57,224,929**	**572.25**	**48,000,000**	**480.00**

B Other equity (refer note 20)

Particulars	Reserves and surplus			Total
	Capital reserve	Retained earnings	Security premium	
Balance as at 01 April 2023	**0.44**	**2,202.76**	-	**2,203.20**
Total comprehensive income for the year				
Add : Profit for the year	-	681.61	-	681.61
Add : Other comprehensive income (net of tax) for the year	-	2.77	-	2.77
Total comprehensive income for the year	-	**684.38**	-	**684.38**
Transactions with owners of the Company				
Contributions and distributions				
Add : Fresh Issue of equity shares				
-CCPS converted	-	-	618.64	618.64
-Issued to 360 One special opportunities fund Series 9	-	-	146.65	146.65
-Issued to 360 One special opportunities fund Series 10	-	-	146.65	146.65
-Public Issue made on 29 December 2023	-	-	3,128.57	3,128.57
Less: Shares issue expenses	-	-	(263.17)	(263.17)
Balance as at 31 March 2024	**0.44**	**2,887.14**	**3,777.34**	**6,664.92**
Balance as at 01 April 2022	**0.44**	**1,987.83**	-	**1,988.27**
Total comprehensive income for the year				
Add : Profit for the year	-	575.52	-	**575.52**
Add : Other comprehensive income (net of tax) for the year	-	(0.59)	-	**(0.59)**
Total comprehensive income for the year	-	**574.93**	-	**574.93**
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**	**2,202.76**	-	**2,203.20**

Material accounting policies	3
Notes to the Standalone Financial Statements	5-52

The accompanying notes form an integral part of the Standalone Financial Statements.

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: 29 May 2024

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Notes to the Standalone Financial Statements

for the period ended 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 1. REPORTING ENTITY

Innova Captab Limited (CIN: U24246MH2005PLC150371) ("the 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 03 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". Furthermore, w.e.f 16 October 2023 Company has changed its registered office to 601, Proxima, Plot No 19, Sector 30A Vashi Navi Mumbai, Thane, Maharashtra, India, 400705.

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

NOTE 2. BASIS OF PREPARATION

(i) *Statement of compliance*

These standalone financial statements ("standalone financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013, ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The standalone financial statements have been prepared on a going concern basis. The accounting policies adopted are consistent with those of the previous financial year and corresponding reporting period, except for the estimation of income tax (see note 3(o)). A number of amended standards became applicable for the current reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

The Company also adopted Disclosure of Accounting Policies (Amendments to Ind AS 1 – Presentation of Financial Statements) from 01 April 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the standalone financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the standalone financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies (previous financial year ended 31 March 2023: Significant accounting policies) in certain instances in line with the amendments.

These standalone financial statements were approved for issue by the Company's Board of Directors on 29 May 2024.

(ii) *Basis of measurement*

The standalone financial statements have 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

(iii) *Functional and presentation currency*

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

(iv) *Current versus non-current classification*

The Company presents assets and liabilities in the standalone financial statements based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized 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

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

- 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 Company 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 realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(v) *Use of estimates and judgments*

In preparation of the standalone financial statements, 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 standalone financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

Judgments

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

- Note 3(h) and 29 – revenue recognition: whether revenue is recognized over time or at a point in time; determining the transaction price, estimating the expected value of right to return
- Note 3(d) and 6 – 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(vi) – Fair value measurement (including fair value of consideration transferred on business combination and fair value of the assets acquired and liabilities assumed)
- Note 3(h) - Revenue recognition- Estimating the expected value of right to return.
- Note 3(c) and 5a – Assessment of useful life and residual value of property, plant and equipment
- Note 3(d) and 6 – Lease Classification, discount rate
- Note 3(e) and 5b – Assessment of useful life of intangible assets
- Note 3(f) – Valuation of inventories
- Note 3(g) – Impairment of financial assets; impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 3(l) and 41 – Measurement of defined benefit obligations: key actuarial assumptions
- Note 3(o) and 38 – 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 3(p), 3(q), and 46 – Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.

(vi) *Measurement of fair values*

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company 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 Company's Audit Committee.

Fair values are categorized 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 Company 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 categorized 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 Company recognizes 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 standalone financial statements is included in the Note 44.

NOTE 3. MATERIAL ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these standalone financial statements, except if mentioned otherwise.

In addition, the Company adopted Disclosure of Accounting Policies (Amendments to Ind AS 1 – Presentation of Financial Statements) from 01 April 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in Note 3 in certain instances.

Set out below are the material accounting policies:

(a) 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 recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company 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 recognized 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 recognized immediately in the Statement of Profit and Loss. A trade receivable without a significant financing component is initially measured at the transaction price.

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

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

Financial asset at amortized cost

A financial asset is measured at amortized 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 recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company 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 recognized in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

Investments in subsidiaries

Investments in equity instruments of subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investment at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investment at FVOCI	These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial assets: Business model assessment

The Company 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 realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company'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 Company'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 Company 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 Company 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 Company'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 recognized in profit or loss.

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

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company 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 Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company 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 Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized 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 recognized in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative financial instruments

The Company 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.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

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

b) 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 recognized less, where appropriate, cumulative amount of income recognized in accordance with the Company's revenue recognition policies.

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

The Company 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 labor, 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 capitalized. 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 recognized 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 reporting date, are shown under other non-current assets and cost of assets not ready for intended use before the period end, are shown as capital work-in-progress.

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

Transition to Ind AS

The cost of property, plant and equipment as at 01 April 2019, the Group date of transitions to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to 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 recognized in the 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 period/year 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	3 - 6 Years

Depreciation method, useful lives and residual values are reviewed at each reporting date 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).

Derecognition

An item of PPE is derecognized 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 Statement of Profit and Loss.

d) Leases

At inception of a contract, the Company 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 Company is a lessee

The Company's lease asset classes primarily consist of leases for buildings and leasehold land. The Company, 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 Company recognizes 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 recognized in the 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 Company's incremental borrowing rate. The Company 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 Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and 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 Company recognizes any remaining amount of the re-measurement in 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

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- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized 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 Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company 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 Company 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 Company has elected not to recognize 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 Company recognizes the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

e) Intangible assets

Intangible assets 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 reporting date, are shown under other non-current assets and cost of assets not ready for intended use before the period end, are shown as intangible assets under development.

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

Subsequent expenditure

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

Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in depreciation and amortization in Statement of profit and loss.

The estimated useful life computer software for the current and comparative period/year is 5 years.

Derecognition

Intangible assets is derecognized 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 realizable 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 realizable 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 realizable 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 realizable value. The Company 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 realizable value is made on an item-by-item basis.

g) Impairment

Impairment of financial assets

The Company recognizes loss allowances for expected credit loss on financial assets measured at amortized cost and contract assets. At each reporting date, the Company assesses whether financial assets carried at amortized 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, debtor 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 Company on terms that the Company would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial re-organization; or
- The disappearance of active market for a security because of financial difficulties.

The Company 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 and other financial assets 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 Company is exposed to credit risk.

The Company does not have any trade receivables with significant credit risk. The Company uses simplified approach to calculate impairment of trade receivables and has not accessed credit risk individually.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company 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 Company'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 Company in accordance with the contract and the cash flow that the Company 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 amortized 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 Company determines that the debtors do not have assets or sources of income

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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 Company's procedure for recovery of amounts due.

Impairment of non-financial assets

The Company's non-financial assets other than inventories, contract assets 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 companied together into cash-generating units (CGUs). Each CGU represents the smallest Company 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 Company'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 recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company 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 Company 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: Recognize revenue when (or as) the entity satisfies a performance obligation

Contract assets are recognized 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 recognized when billings are in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company 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 Company disaggregates revenue from contracts with customers by geography.

Invoices are usually payable within a range of 45 to 90 days.

Use of significant judgments in revenue recognition:

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

(i) Judgment 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 price concessions. 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 recognized will not occur and is reassessed at the end of each reporting period. The Company 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.

(ii) The Company uses judgment to determine an appropriate selling price for a performance obligation. The Company 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.

(iii) The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company 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. In case where performance obligation is satisfied at a point in time, revenue is recognized when significant risk and rewards of ownership of goods is transferred to the customers, generally ex-factory. In case where performance obligation is satisfied over a period of time, revenue is recognized on the basis of actual cost incurred plus mark up as agreed with the customers under each agreement.

(iv) Revenue for fixed-price contract is recognized using percentage-of-completion method. The Company uses judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

(v) Contract fulfilment costs are generally expensed as incurred except for certain expenses which meet the criteria for capitalization. Such costs are amortized over the contractual period. The assessment of this criteria requires the application of judgment, 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.

i) Export incentives

Export incentive entitlements are recognized 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.

j) Recognition of interest income or expense

Interest income or expense is recognized 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 amortized 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 amortized 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 amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

k) Government grant

The Company recognizes 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 recognized initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognized in Statement of Profit and Loss as other income on a systematic basis.

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

Grants related to income are deducted in reporting the related expense in the statement of profit and loss. Export entitlements from government authorities are recognized 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.

l) 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 recognized as expenses in the period in which the employee renders the related service and measured on an undiscounted basis. A liability is recognized for the amount expected to be paid e.g., salaries, wages and bonus, if the Company 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:

Defined contribution plans

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 Company 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 Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The Company 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 Company'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

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encased. 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 Company'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. Such obligation such as those related to compensated absences is measured on the basis of an actuarial valuation performed annually by a qualified actuary using the projected unit credit method. The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Termination benefits

Termination benefits are recognized as an expense when, as a result of a past event, the Company 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.

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

m) Borrowing costs

Borrowing costs are interest and other costs incurred by the Company 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 recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

n) Foreign currency transactions

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company 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 recognized in the Statement of profit and loss.

o) Income tax

Income tax expense comprises current and deferred tax. It is recognized in Statement of Profit and Loss. The Company does not have any items recognized directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period 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 recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized 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 recognized 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 recognized / 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 realized 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 Company 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.

The Company has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to Ind AS 12) from 01 April 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognize the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Company previously accounted for deferred tax on leases and decommissioning liabilities by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognized on a net basis. Following the amendments, the Company has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of Ind AS 12. There was also no impact on the opening retained earnings as at 01 April 2022 as a result of the change. The key impact for the Company relates to disclosure of the deferred tax assets and liabilities recognized (refer note 38).

p) Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Company 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. The reimbursement is treated as a separate asset. Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

q) Contingent liabilities and contingent assets

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

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 realization 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.

r) 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.

s) Operating segment

An operating segment is a component of the Company 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 Company's other components, and for which discrete financial information is available. All

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operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

t) Cash and cash equivalents

For the purpose of presentation in the 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.

u) 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 Company are segregated.

v) Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year 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 period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

w) Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Company is charged to the Statement of the Profit and Loss.

x) Share capital

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

Preference shares: The Company 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.

NOTE 4. RECENT ACCOUNTING PRONOUNCEMENTS

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. During the period ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standard applicable to the Company that has not been applied.

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NOTE 5a. PROPERTY, PLANT AND EQUIPMENT

Gross carrying amount

Particulars	Freehold land	Building	Plant and equipment	Lab equipment	Electrical equipment and installation	Vehicles	Furniture and fixtures	Office equipment	Computer and printer	Total	Capital work-in-progress
Balance as at 01 April 2022	169.57	537.68	796.42	63.06	83.99	39.00	54.69	4.37	9.73	1,758.51	0.31
Additions	-	6.82	25.89	0.79	0.24	2.52	1.52	0.51	1.72	40.01	255.13
Disposals	-	-	(0.58)	(4.30)	-	(0.06)	-	-	-	(4.94)	(40.01) #
Balance as at 31 March 2023	**169.57**	**544.50**	**821.73**	**59.55**	**84.23**	**41.46**	**56.21**	**4.88**	**11.45**	**1,793.58**	**215.43**
Balance as at 01 April 2023	169.57	544.50	821.73	59.55	84.23	41.46	56.21	4.88	11.45	1,793.58	215.43
Additions	-	0.71	32.44	3.51	-	38.33	1.00	2.27	1.14	79.40	3,253.80
Disposals	-	-	(0.49)	-	-	(1.21)	-	-	-	(1.70)	(79.40) #
Balance as at 31 March 2024	**169.57**	**545.21**	**853.68**	**63.06**	**84.23**	**78.58**	**57.21**	**7.15**	**12.59**	**1,871.28**	**3,389.83**
Accumulated depreciation											
Balance as at 01 April 2022	-	53.75	124.97	1.80	16.01	9.73	13.29	2.89	4.68	227.12	-
Depreciation for the year	-	17.60	55.26	5.87	8.15	3.59	5.46	0.62	2.21	98.76	-
Disposals	-	-	(0.16)	(0.24)	-	(0.06)	-	-	-	(0.46)	-
Balance as at 31 March 2023	**-**	**71.35**	**180.07**	**7.43**	**24.16**	**13.26**	**18.75**	**3.51**	**6.89**	**325.42**	**-**
Balance as at 01 April 2023	-	71.35	180.07	7.43	24.16	13.26	18.75	3.51	6.89	325.42	-
Depreciation for the year	-	17.66	56.92	5.73	8.13	4.01	5.42	0.70	2.42	100.99	-
Disposals	-	-	(0.34)	-	-	(0.61)	-	-	-	(0.95)	-
Balance as at 31 March 2024	**-**	**89.01**	**236.65**	**13.16**	**32.29**	**16.66**	**24.17**	**4.21**	**9.31**	**425.46**	**-**
Carrying amounts (net)											
As at 31 March 2023	**169.57**	**473.15**	**641.66**	**52.12**	**60.07**	**28.20**	**37.46**	**1.37**	**4.56**	**1,468.16**	**215.43**
As at 31 March 2024	**169.57**	**456.20**	**617.03**	**49.90**	**51.94**	**61.92**	**33.04**	**2.94**	**3.28**	**1,445.82**	**3,389.83**

Represents capital work in progress capitalised during the respective year

Notes:

a. Refer note 21 for information on property, plant and equipment pledged as security by the Company.

b. Refer note 46(ii) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 5a. PROPERTY, PLANT AND EQUIPMENT (Contd.)

c. 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 2024	As at 31 March 2023
Employee benefits expense	24.19	14.96
Finance costs (Interest expense on financial liabilities measured at amortized cost - on borrowings) #	137.34	28.83
Other expenses	32.20	0.74
Total	**193.73**	**44.53**

Capitalization of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalization relating to general borrowings was ₹ 37.98 at 7.85% per annum for the year ended 31 March 2024 (31 March 2023 ₹ 18.94 at 8.11%).

d. 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 2024**	2,660.14	717.76	-	-	**3,377.90**
Projects temporarily suspended as at 31 March 2024*	-	-	11.93	-	**11.93**
Projects in progress as at 31 March 2023	203.50	11.93	-	-	**215.43**

* During the year ended 31 March 2024, capitalization of ₹ 11.93 pertaining to a machine is overdue on account of technical reasons and expected to be capitalised by 30 June 2024.

** Total revised cost of Jammu project as approved by board of directors in its meeting held on 29 March 2024 is ₹ 4,593.72 which includes cost escalation of ₹ 336.80 and cost of new manufacturing line of ₹ 705.20 leading to a total change of ₹ 1,042.00 in the original project cost of ₹ 3,551.72, as approved by board of directors in its meeting held on 19 June 2022. Also, the plant is now expected to be capitalized between July-September 2024.

NOTE 5b. OTHER INTANGIBLE ASSETS

Gross carrying amount

Particulars	Computer software
Balance as at 01 April 2022	**11.23**
Additions - acquired	4.80
Balance as at 31 March 2023	**16.03**
Balance as at 01 April 2023	**16.03**
Additions - acquired	1.35
Balance as at 31 March 2024	**17.38**
Accumulated amortization	
Balance as at 01 April 2022	6.76
For the year	1.58
Balance as at 31 March 2023	**8.34**
Balance as at 01 April 2023	8.34
For the year	1.93
Balance as at 31 March 2024	**10.27**
Carrying amounts (net)	
As at 31 March 2023	**7.69**
As at 31 March 2024	**7.11**

As at 31 March 2024, the estimated remaining amortization year for other intangible assets are as follows:
Computer Software 0.50 - 4.60 years (31 March 2023 0.50 - 4.00 years)

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company has entered into agreements for leasing land and office premises. Land leases typically run for a year of 3 - 75 years. The leases for office premises typically run for a year 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 Company is a lessee is presented below :

Right-of-use assets - building*	As at 31 March 2024	As at 31 March 2023
Balance as at beginning of the year	6.94	2.72
Additions	32.09	6.71
Depreciation for the year	(6.88)	(2.49)
Balance as at end of the year (A)	**32.15**	**6.94**

Right-of-use assets - land*	As at 31 March 2024	As at 31 March 2023
Balance as at beginning of the year	130.94	73.52
Additions	23.72	61.15
Depreciation for the year	(4.19)	(3.73)
Balance as at end of the year (B)	**150.47**	**130.94**
Right-of-use assets (C=(A)+(B))	**182.62**	**137.88**

* Leasehold land & building include leasehold land & building of ₹ 23.72 & ₹ 10.30 respectively situated at Industrial Plot no. 64 EPIP Phase I, Jharmajri, Baddi, Solan, Himachal Pradesh which was acquired as per sale agreement dated 05 January 2024. The Company is in the process of registering the title lease deed in its name as on 31 March 2024.

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

c. Set out below are the carrying amounts of lease liabilities during the year :

Lease liabilities included in the balance sheet	As at 31 March 2024	As at 31 March 2023
Current	8.95	2.07
Non-current	22.42	13.84
Total	**31.37**	**15.91**
Balance as at beginning of the year	15.91	5.81
Additions	20.98	13.29
Accreditation of interest	2.62	1.52
Payment of lease liabilities	(8.14)	(4.71)
Balance as at end of the year	**31.37**	**15.91**

d. As at date, the Company 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 2024	As at 31 March 2023
Less than one year	10.31	3.59
After one year but not longer than three years	24.65	7.14
More than three years	41.92	41.92
Total	**76.88**	**52.65**

f. The Company 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.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Contd.)

g. The Company 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 2024	For the year ended 31 March 2023
Expenses relating to short-term leases	1.87	1.01
Interest on lease liabilities	2.62	1.52
Depreciation expense	11.07	6.22
Total	**15.56**	**8.75**

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Expenses relating to short-term leases	1.87	1.01
Payment of lease liabilities	8.14	4.71
Total cash outflow for leases (including short term leases)	**10.01**	**5.72**

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 2023 : 8.94% - 11.36%).

NOTE 7. INVESTMENTS

	As at 31 March 2024	As at 31 March 2023
Investments in equity shares		
Unquoted equity shares (at cost)		
Subsidiary (at cost)		
- Univentis Medicare Limited	600.00	600.00
150,000 (31 March 2023: 150,000) fully paid-up equity shares of ₹ 10 each (31 March 2023: ₹ 10 each)		
Other (at cost)		
- Shivalik Solid Waste Management Limited	0.00^	0.00^
250 (31 March 2023: 250) fully paid-up equity shares of ₹ 10 each (31 March 2023: ₹ 10 each)		
	600.00	**600.00**
Aggregate book value of unquoted investments	600.00	600.00
Aggregate amount of impairment in value of non-current investments	-	-

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

NOTE 8. LOANS - NON CURRENT

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Loan to related party		
Univentis Medicare Limited (subsidiary)*	1,366.00	-
Loan to employees	7.32	4.78
	1,373.32	**4.78**

* During the year ended 31 March 2024 Loan of ₹ 1,366.00 was given to subsidiary and carried interest rate of 8.5% per annum. The loan is repayable on demand.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 9. OTHER NON-CURRENT FINANCIAL ASSET

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Security deposit	7.93	4.90
Balance with banks-deposits accounts with original maturity more than 12 months #	0.49	0.16
	8.42	**5.06**

These deposits include restricted bank deposits ₹ 0.49 (31 March 2023: ₹ 0.16) pledged as margin money.

NOTE 10. INCOME TAX ASSETS (NET)

	As at 31 March 2024	As at 31 March 2023
Advance income tax and tax deducted at source [net of provision of ₹ Nil (31 March 2023: ₹ 407.95)]	-	4.12
	-	**4.12**

NOTE 11. OTHER NON-CURRENT ASSETS

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Capital advances	167.70	554.00
Prepaid expenses	1.47	2.43
	169.17	**556.43**

NOTE 12. INVENTORIES

	As at 31 March 2024	As at 31 March 2023
(At lower of cost and net realizable value)		
Raw materials #	558.96	575.21
Stores and spares	0.86	1.24
Work-in-progress*	177.47	180.61
Finished goods #*	50.76	32.44
Stock-in-trade	0.87	2.54
Packing material #*	150.98	180.68
	939.90	**972.72**
# Includes goods-in-transit		
- Raw material	22.34	66.68
- Finished goods	28.68	19.68
- Packing material	-	0.91
* Net of provision for obsolete inventory		
- Packing material	6.34	4.45
- Work-in- progress	8.58	-
- Finished goods	1.24	-

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 13. TRADE RECEIVABLES

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Trade receivables	1,869.42	1,975.71
Trade receivables from related party (refer note 42)	308.10	326.77
Less: expected credit loss allowance	(3.64)	(5.72)
	2,173.88	**2,296.76**
Break-up:		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	2,176.34	2,301.29
Trade receivables which have significant increase in credit risk	1.18	1.19
Trade receivables - credit impaired	-	-
	2,177.52	**2,302.48**
Less: expected credit loss allowance		
- Trade receivables considered good - secured	-	-
- Trade receivables considered good - unsecured	(2.46)	(4.53)
- Trade receivables which have significant increase in credit risk	(1.18)	(1.19)
- Trade receivables - credit impaired	-	-
Total trade receivables	**2,173.88**	**2,296.76**
Movement in expected credit loss allowance of trade receivables:		
Balance at the beginning of the year	5.72	8.17
(Reversed) during the year	(2.08)	(2.45)
Balance at the end of the year	**3.64**	**5.72**

Trade receivable ageing:

	Unbilled	Not Due	Outstanding for following years from due date					Gross trade receivables	Expected credit loss allowance	Net trade receivables
			< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years			
As at 31 March 2024										
Undisputed trade receivable - considered good	21.31	1,531.56	564.41	37.81	18.93	0.22	-	**2,174.24**	(0.36)	**2,173.88**
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	1.18	**1.18**	(1.18)	**-**
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	**-**	-	**-**
Disputed trade receivable - considered good	-	-	-	-	-	-	2.10	**2.10**	(2.10)	**-**
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	**-**	-	**-**
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	**-**	-	**-**
Total	**21.31**	**1,531.56**	**564.41**	**37.81**	**18.93**	**0.22**	**3.28**	**2,177.52**	**(3.64)**	**2,173.88**

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 13. TRADE RECEIVABLES (Contd.)

Trade receivable ageing:

	Unbilled	Not Due	Outstanding for following years from due date					Gross trade receivables	Expected credit loss allowance	Net trade receivables
			< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years			
As at 31 March 2023										
Undisputed trade receivable - considered good	17.58	1,675.39	559.79	45.06	1.08	0.10	-	**2,299.00**	(2.24)	**2,296.76**
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	-	-	-	-	-	-	-	**-**	-	**-**
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	**-**	-	**-**
Total	**17.58**	**1,675.39**	**559.79**	**45.06**	**1.08**	**0.10**	**3.48**	**2,302.48**	**(5.72)**	**2,296.76**

NOTE 14. CASH AND CASH EQUIVALENTS

	As at 31 March 2024	As at 31 March 2023
Balances with bank:		
- In current accounts	113.57	31.10
Cash on hand	0.32	0.25
	113.89	**31.35**

NOTE 15. BANK BALANCE OTHER THAN ABOVE

	As at 31 March 2024	As at 31 March 2023
Bank deposits with original maturity of more than three months but less than twelve months #	749.63	118.50
	749.63	**118.50**

These deposits include restricted bank deposits ₹ 26.10 (31 March 2023: ₹ 118.50) pledged as margin money.

NOTE 16. LOANS - CURRENT

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Loan to employees	3.73	9.81
	3.73	**9.81**

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 17. OTHER CURRENT FINANCIAL ASSETS

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Interest accrued but not due on fixed deposits	12.40	2.59
Export incentive recoverable	11.23	10.17
Security deposit	40.15	11.21
IPO expenses recoverable *	-	46.25
Advance to employees	-	0.11
	63.78	**70.33**

NOTE 18. OTHER CURRENT ASSETS

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Balances with government authorities	313.02	228.69
Advances to suppliers	4.39	6.02
Advances to employees	0.20	-
Prepaid expenses*#	11.95	49.63
	329.56	**284.34**

* In connection with the proposed Initial Public Offer ('IPO') of equity shares of the Company, expenses incurred by the Company towards the proposed IPO of equity shares held by the selling shareholder amounting to ₹ Nil (31 March 2023: ₹ 46.25) was presented as "IPO expenses recoverable" included under "other current financial assets" and recovered from the selling shareholders (as per the offer agreement) during the year ended 31 March 2024 and expenses incurred by the Company in relation to its plan of raising funds from capital market through the proposed IPO amounting to ₹ Nil (31 March 2023: ₹ 39.19) was included in "prepaid expenses" under "other current assets" and adjusted towards the securities premium during the year ended 31 March 2024.

Prepaid expenses includes CSR asset of ₹ 2.47 (31 March 2023:₹ Nil) as excess spent on CSR activites and it can be carry forward upto immediately succeeding three financial years as per General Circular No. 14 /2021.

NOTE 19. SHARE CAPITAL

	As at 31 March 2024	As at 31 March 2023
Authorized		
64,000,000 (31 March 2023: 64,000,000) equity shares of ₹ 10 each (31 March 2023: ₹ 10 each)	640.00	640.00
2,000,000 (31 March 2023: 2,000,000) cumulative compulsorily convertible preference share of ₹ 10 each (31 March 2023: ₹ 10)	20.00	20.00
	660.00	**660.00**
Equity share capital		
Issued, subscribed and paid-up		
57,224,929 (31 March 2023: 48,000,000) equity shares of ₹ 10 each (31 March 2023: ₹ 10 each)	572.25	480.00
	572.25	**480.00**

a) Rights, preferences and restrictions attached to equity shares

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

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for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 19. SHARE CAPITAL (Contd.)

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

During year ended 31 March 2023, 1,412,430 cumulative compulsorily convertible preference shares ("CCCPS") have been issued as fully paid with a par value of ₹ 354 per share. The CCCPS holders of the 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 CCCPS 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 CCCPS 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 CCCPS shall not be entitled to vote on any matter except to the extent permitted under the Companies Act 2013 or other applicable laws.

During the year ended 31 March 2024, the Company has allotted 1,412,430 equity shares having face value of ₹ 10 each in the conversion ratio of 1:1 towards Cumulative Compulsorily Convertible Preference Shares ("CCCPS") on 01 December 2023 at a price of ₹ 448 per share.

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

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	48,000,000	480.00	1,200,000	120.00
Sub-division of 1 share of face value 100/- each into 10 share of face value 10/- each effective 04 April 2023 (Increase in shares on account of sub-division)*	-	-	10,800,000	-
Add:- Bonus shares issued during the year	-	-	36,000,000	360.00
Add:- Issue of share capital during the year#	9,224,929	92.25		
Balance at the end of the year	**57,224,929**	**572.25**	**48,000,000**	**480.00**

* The Shareholders of the Company, at the Extra ordinary general meeting held on 04 April, 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 04 April, 2022.

The Company has allotted 1,412,430 equity shares having face value of ₹ 10 each in the conversion ratio of 1:1 towards Cumulative Compulsorily Convertible Preference Shares ("CCCPS") on 01 December 2023 at a price of ₹ 448 per share.

The Company has allotted 669,642 Pre Initial Public Offer (IPO) equity shares having face value of ₹ 10 each on 03 December 2023 at a price of ₹ 448 per share.

The Company, at its IPO meeting held on 26 December 2023 approved allotment of 7,142,857 Equity Shares of ₹ 10 each pursuant to Initial Public Offering at a securities premium of ₹ 438 per share under Fresh Issue and offer for sale of 5,580,357 Equity Shares at an Offer Price of ₹ 448 per Equity Share, to the respective applicants in various categories, in terms of the basis of allotment approved in consultation with the authorized representative of BSE Limited and NSE. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 29 December 2023. Refer Note 51.

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

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Manoj Kumar Lohariwala #	16,636,446	29.07	19,036,000	39.66
Vinay Kumar Lohariwala #	12,482,875	21.81	14,436,000	30.08
Gian Parkash Aggarwal	12,391,464	21.65	14,512,000	30.23

Identified as promoters.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 19. SHARE CAPITAL (Contd.)

e) Bonus shares, shares buyback and issue of shares for consideration other than in cash during five years immediately preceding 31 March 2024.

During the five years immediately preceding 31 March 2024 ('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 2024		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	Ratio	No. of shares	Ratio	No. of shares	Ratio	No. of shares	Ratio	No. of shares	Ratio	No. of shares	Ratio
Bonus issue	-	-	36,000,000	3:1	-	-	-	-	-	-	-	-

f) Promoter Shareholding:

Promoter's name	As at 31 March 2024			As at 31 March 2023		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Manoj Kumar Lohariwala	16,636,446	29.07	12.61%	19,036,000	39.66	-
Vinay Kumar Lohariwala	12,482,875	21.81	13.53%	14,436,000	30.08	-

NOTE 20. OTHER EQUITY

		As at 31 March 2024	As at 31 March 2023
A	**Capital reserve**		
	Balance at the beginning of the year	0.44	0.44
	Balance at the end of the year	**0.44**	**0.44**
B	**Retained earnings**		
	Balance at the beginning of the year	2,202.76	1,987.83
	Add: Profit for the year	681.61	575.52
	Add: Other comprehensive income / (loss) for the year (remeasurement of defined benefit plans, net of tax)	2.77	(0.59)
	Less : Bonus share issued during the year	-	(360.00)
	Balance at the end of the year	**2,887.14**	**2,202.76**
C	**Securities premium**		
	Balance at the beginning of the year	-	-
	Add : Issued during the year	-	-
	-CCCPS converted	618.64	-
	-Issued to 360 One special opportunities fund Series 9	146.65	-
	-Issued to 360 One special opportunities fund Series 10	146.65	-
	-Public Issue made on 29 December 2023	3,128.57	-
	Less: Share issue expenses	(263.17)	-
	Balance at the end of the year	**3,777.34**	-
	Total (A+B+C)	**6,664.92**	**2,203.20**

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 Company has earned till date, less any dividends or other distributions paid to shareholders.

c. **Securities premium:** Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders less the share issue expenses.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 21. BORROWINGS

		Notes	As at 31 March 2024	As at 31 March 2023
A.	**Non-current borrowings**			
	Secured:			
	From banks			
	Term loan	(I)	2,179.66	654.19
	Unsecured:			
	From others			
	Deposits from directors (refer note 42)	(IV)	-	249.90
	Cumulative compulsorily convertible preference shares	(V)	-	468.45
	Total non-current borrowings (including current maturities)		**2,179.66**	**1,372.54**
	Less : Current maturities of non-current borrowings		(97.68)	(30.77)
			2,081.98	**1,341.77**
B.	**Current borrowings**			
	Secured			
	Cash credit ('CC') limit	(I)	220.92	0.79
	Working capital demand loan ('WCDL')	(I)	-	973.69
	Current maturities of non-current borrowings	(I)	97.68	30.77
	Unsecured:			
	From Banks			
	Credit card	(I)	7.27	4.85
			325.87	**1,010.10**

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

Bank Name	Nature of facility & currency	Rate of interest % (p.a.)	Repayment terms	Security (Note II)	Non-current		Current	
					As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
State Bank of India	CC limit (₹)	6 Month MCLR + 0.10%	-	Equitable mortgage (first charge) on (b), (c) and (d), First pari passu charge on (i) along with (j)	-	-	213.20	-
	WCDL (₹)	91 day T-bill linked	-		-	-	-	500.00
	CC limit (₹)	EBLR + 2.00%	-	Equitable mortgage (first charge) on (d), (m) (n) and unconditional and irrevocable guarantee of 300 each	-	-	-	0.35
	Term Loan (₹)*	3 Month MCLR	96 monthly installments starting from October 2024 after an initial moratorium of 16 months	Equitable mortgage (First charge) on (e),(b),(c), (d) alongwith (a) and (j)	682.71	-	-	-
Yes Bank Limited	WCDL (₹)	Overnight MIBOR + 1.28%	-	First pari passu charge on (i), (b), (c) and (d) along with (j)	-	-	-	300.00
	CC limit (₹)	Spread of 0.05% + 1 Month MCLR	-		-	-	7.72	-

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 21. BORROWINGS (Contd.)

Bank Name	Nature of facility & currency	Rate of interest % (p.a.)	Repayment terms	Security (Note II)	Non-current		Current	
					As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
HDFC Bank Limited	Term loan (₹) *	3 M T Bill + 1.63%	32 quarterly instalments from December 2024 after initial moratorium of 24 months on repayment of principle (till September 2024) with monthly interest payment from 01 December 2022	First pari passu charge on (b), (c), (h) and (i), along with (a) and (j)	1,496.95	492.87	-	-
	Credit card (₹)	-	-	-	-	-	7.27	4.85
	WCDL (₹)	7.72%	-	(g), (j) and (k)	-	-	-	113.69
Hong Kong and Shanghai Banking Corporation Limited ("HSBC Ltd")	Term loan (₹) *	TBLR + 3.23%	84 monthly instalments from December 2021 after initial moratorium year of 6 months (till November 2021)	First pari passu charge on (b), (c), (h) and (i), along with (a) and (j)	-	110.57	-	-
	Term loan (₹) *	TBLR + 3.23%	78 monthly instalments from March 2023 till August 2028		-	50.75	-	-
	WCDL (₹)	1 M T-bill + 1.34%	-	First pari passu charge on (b), (c) (I) and (j)	-	-	-	60.00
	CC limit (₹)	Overnight MCLR + 0.05%	-	First pari passu charge on (b), (c) (I) and (j)	-	-	-	0.44
					2,179.66	**654.19**	**228.19**	**979.33**

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

Note II: 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 Company created out of bank finance.

(i) Entire current assets (present and future) of the Company.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 21. BORROWINGS (Contd.)

(j) Unconditional and irrevocable personal guarantee of Manoj Kumar Lohariwala, Vinay Kumar Lohariwala and Gian Prakash Agarwal for ₹ 750 each.

(k) Primary stock and debtors of the Subsidiary Company.

(l) Entire fixed assets (movable and immovable) (present and future) of the Holding Company created out of bank finance.

(m) 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.

(n) 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).

(o) 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: Closure of Charges

The Company is in process of closure of charges related to the loan repaid as at year ended on 31 March 2024.

Note IV: 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. The terms of repayment were amended in year ending on 31 March 2023 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. The same is repaid during the year ended 31 March 2024.

Note V: Cumulative compulsorily convertible preference shares

The Company had issued 1,412,430 cumulative compulsorily convertible preference share ('CCCPS') at face value of ₹ 10 and at premium of ₹ 344 per CCCPS, during the year ended on 31 March 2023. The CCCPS holders of the Company, in terms of the underlying agreement, have 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 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 CCCPS into equity shares, where the fixed condition is not met, therefore, CCCPS 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 and a separable derivative component amounting to ₹ 98.70 on the initial date of recognition as both the ratio and timing of conversion was uncertain. As per the requirements of IND AS 109, the derivative component has been re-measured at fair value of ₹ Nil (31 March 2023: ₹ 78.94) on reporting date and the change in fair value of ₹ 19.36 has been recognized as a loss in the Statement of Profit and Loss for the year ended 31 March 2024 (31 March 2023: Gain of ₹ 19.76).

C. Further, during the year ended 31 March 2024 and 31 March 2023, the actual utilization of working capital remained within the bank sanction limits.

D. Undrawn borrowings:

Bank	Currency of facility	Nature of facility	Sanctioned amount in ₹ (FY '24)	Sanctioned amount in ₹ (FY '23)	As at 31 March 2024		As at 31 March 2023	
					Total drawn amount as at 31 March 2024	Total undrawn amount as at 31 March 2024	Total drawn amount as at 31 March 2023	Total undrawn amount as at 31 March 2023
YES Bank Limited	₹	Cash credit	400.00	750.00	7.72	392.28	300.00	450.00
SBI Bank	₹	Cash credit	650.00	850.00	213.20	436.80	500.35	349.65
HDFC Bank Limited	₹	Cash credit	200.00	200.00	-	200.00	118.53	81.47
HSBC Limited	₹	Cash credit	-	100.00	-	-	60.44	39.56
SBI Bank	₹	Term loan	800.00	-	682.71	117.29	-	-
HSBC Limited	₹	Term loan	-	200.00	-	-	200.00	-
HDFC Bank Limited	₹	Term loan	1,500.00	2,300.00	1,496.95	3.05	495.13	1,804.87

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 21. BORROWINGS (Contd.)

E. The Company 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:

Quarter end date	Particulars	Amount as per books of account	State Bank of India		Yes Bank Limited, HDFC Bank Limited, HSBC Limited*		statement subsequently rectified
			Amount as reported	Amount of difference	Amount as reported	Amount of difference	
30 June 2022	Inventory	1,199.72	1,021.93	177.79	1,020.09	179.63	No
	Trade Receivable	1,764.77	1,722.96	41.81	1,722.96	41.81	No
	Trade Payable	1,563.33	1,575.96	(12.63)	1,575.96	(12.63)	No
30 September 2022	Inventory	888.58	888.60	(0.02)	888.57	0.01	No
	Trade Receivable	2,355.57	2,355.60	(0.03)	2,355.57	-	No
	Trade Payable	1,225.34	1,223.50	1.84	1,223.51	1.83	No
31 December 2022	Inventory	1,038.84	1,062.40	(23.56)	1,062.36	(23.52)	No
	Trade Receivable	2,359.69	2,359.20	0.49	2,359.16	0.53	No
	Trade Payable	1,545.72	1,571.50	(25.78)	1,571.52	(25.80)	No
31 March 2023	Inventory	972.72	985.38	(12.66)	985.38	(12.66)	No
	Trade Receivable	2,296.76	2,307.08	(10.32)	2,307.08	(10.32)	No
	Trade Payable	1,480.84	1,480.85	(0.01)	1,480.85	(0.01)	No
30 June 2023	Inventory	898.87	921.08	(22.21)	921.08	(22.21)	No
	Trade Receivable	2,544.89	2,497.30	47.59	2,497.30	47.59	No
	Trade Payable	1,687.12	1,641.31	45.81	1,641.31	45.81	No
30 September 2023	Inventory	914.94	914.94	-	914.94	-	No
	Trade Receivable	2,310.05	2,310.05	-	2,310.05	-	No
	Trade Payable	1,676.27	1,676.27	-	1,676.27	-	No
31 December 2023	Inventory	854.17	854.17	-	854.17	-	No
	Trade Receivable	2,659.71	2,659.71	-	2,659.71	-	No
	Trade Payable	2,110.70	2,086.32	24.38	2,086.32	24.38	No
31 March 2024	Inventory	939.90	940.98	(1.08)	940.98	(1.08)	No
	Trade Receivable	2,173.88	2,173.54	0.34	2,173.54	0.34	No
	Trade Payable	1,535.12	1,519.06	16.06	1,519.06	16.06	No

As informed to us, the Company submits drawing power (DP) statements within 20 days from end of the respective quarters, in which DP limit is computed as per the terms and conditions of the sanction letter. The quarterly returns/statement submitted to banks were prepared before incorporating the impact of certain book closure adjustments pertaining to goods in transit, advances from customers and advances to vendors w.r.t. inventory, trade receivables and trade payables respectively. Further, the actual utilization of working capital remained within the bank sanction/DP limits for the year ended 31 March 2024 and 31 March 2023.

* Stock statement from September, 2023 onwards have not been submitted to HSBC Limited, since the Company is not utilising DP limit.

NOTE 22. OTHER NON-CURRENT FINANCIAL LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Derivative		
- Component of cumulative compulsorily convertible preference shares*	-	78.94
	-	**78.94**

* Refer note 21 (V).

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 23. PROVISIONS

	As at 31 March 2024	As at 31 March 2023
A. Non-current		
Provision for employee benefits:		
Provision for compensated absences	4.55	5.38
Provision for gratuity (refer note 41)	22.11	22.22
	26.66	**27.60**
B. Current		
Provision for employee benefits:		
Provision for compensated absences	1.68	1.00
Provision for gratuity (refer note 41)	5.00	4.02
	6.68	**5.02**

NOTE 24. OTHER NON CURRENT LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Deferred government grant	-	0.85
	-	**0.85**

NOTE 25. TRADE PAYABLES

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro and small enterprises	0.12	0.50
Total outstanding dues of creditors other than micro and small enterprises #	1,535.00	1,480.34
	1,535.12	**1,480.84**

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 Company. Refer note 43 for the disclosure in respect of amounts payable to such enterprises as at year end that has been made in the Financial Information based on information available with the Company.

#Includes dues to related parties. Refer note 42

Trade payables ageing schedule:

	Unbilled	Not due	Outstanding for following years from due date of payment				Total
			< 1 year	1 to 2 years	2 to 3 years	> 3 years	
As at 31 March 2024							
Outstanding dues of micro and small enterprises	-	0.12		-	-	-	**0.12**
Outstanding dues of creditors other than micro and small enterprises	121.05	1,241.22	172.73	-	-	-	**1,535.00**
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**121.05**	**1,241.34**	**172.73**	**-**	**-**	**-**	**1,535.12**

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 25. TRADE PAYABLES (Contd.)

	Unbilled	Not due	Outstanding for following years from due date of payment				Total
			< 1 year	1 to 2 years	2 to 3 years	> 3 years	
As at 31 March 2023							
Outstanding dues of micro and small enterprises	-	0.35	0.15	-	-	-	**0.50**
Outstanding dues of creditors other than micro and small enterprises	13.03	1,221.10	246.02	0.19	-	-	**1,480.34**
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**13.03**	**1,221.45**	**246.17**	**0.19**	**-**	**-**	**1,480.84**

NOTE 26. OTHER CURRENT FINANCIAL LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	10.23	12.06
Employee related payables	55.97	45.34
Capital creditors		
- Total outstanding dues of micro and small enterprises*	-	-
- Total outstanding dues of other than micro and small enterprises	136.81	5.77
Security deposit	6.65	-
Payable to selling shareholders (refer note 51)	3.88	-
	213.54	**63.17**

* Refer note 43 for disclosures required under MSMED Act.

NOTE 27. OTHER CURRENT LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Contract liabilities	27.12	24.03
Statutory dues	8.45	7.97
Deferred government grant	0.42	-
	35.99	**32.00**

NOTE 28. CURRENT TAX LIABILITIES (NET)

	As at 31 March 2024	As at 31 March 2023
Provision for income tax [net of advance tax: ₹ 245.73 (net of advance tax 31 March 2023: ₹ Nil)]	7.86	-
	7.86	**-**

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 29. REVENUE FROM OPERATIONS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of finished goods	8,541.80	8,298.32
Sale of traded goods	57.30	236.71
Sale of services	31.51	43.59
Other operating revenues		
- Export incentives	15.26	5.24
- Scrap sales	3.42	2.87
	8,649.29	**8,586.73**

Notes:

		For the year ended 31 March 2024	For the year ended 31 March 2023
a.	**Reconciliation of revenue recognized (excluding other operating revenues) with the contract price is as follows:**		
	Contract price	8,640.83	8,589.26
	Adjustments for discounts and rebates	(10.22)	(10.64)
	Revenue recognized	**8,630.61**	**8,578.62**
b.	**Contract balances**		
	Contract liabilities, which are included in 'other current liabilities' *	27.12	24.03
		27.12	**24.03**
	* Considering the nature of business of the Company, the above unbilled revenue generally materializes as revenue within the same operating cycle. The amount of ₹ 24.03 included in contract liabilities as at 31 March 2023 has been recognized as revenue during the year ended 31 March 2024 (31 March 2023: ₹ 34.41)		
c.	**Revenue from sale of goods and services disaggregated by primary geographical market**		
	India	7,491.97	7,893.70
	Outside India	1,138.64	684.92
	Total revenue from contracts with customers	**8,630.61**	**8,578.62**
d.	**Timing of Revenue recognition**		
	Product transferred at point in time	3,825.75	4,724.19
	Product and services transferred over time	4,804.86	3,854.43
	Revenue from contract with customers	**8,630.61**	**8,578.62**

NOTE 30. OTHER INCOME

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets measured at amortized cost		
- on bank deposits	31.94	6.29
- on loan to subsidiary	30.93	-
Amortization of government grant	0.43	21.52
Net profit on sale of property, plant and equipment	0.41	2.86
Gain on fair valuation of cumulative compulsorily convertible preference shares	-	19.76
Gain on foreign exchange fluctuation (net)	20.92	32.63
Reversal of expected credit loss	2.08	2.43
Financial guarantee income	13.43	-
Miscellaneous income	7.04	1.85
	107.18	**87.34**

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 31. COST OF MATERIALS CONSUMED

	For the year ended 31 March 2024	For the year ended 31 March 2023
Raw material	5,005.08	5,081.79
Packing material	1,399.59	1,389.42
	6,404.67	**6,471.21**

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year*	757.13	852.06
Add: Purchases	6,358.34	6,376.28
Less: Inventory at the end of the year*	710.80	757.13
	6,404.67	**6,471.21**

* includes goods- in-transit and net of obsolete inventory.

NOTE 32. PURCHASE OF STOCK-IN-TRADE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchase of stock in trade	64.00	216.48
	64.00	**216.48**

NOTE 33. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance		
- Finished goods	32.44	82.64
- Work-in-progress	180.61	117.94
- Stock-in-trade	2.54	0.21
Less:- Closing balance		
- Finished goods	50.76	32.44
- Work-in-progress	177.47	180.61
- Stock-in-trade	0.87	2.54
	(13.51)	**(14.80)**

NOTE 34. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	459.83	399.33
Contribution to provident and other funds (refer note 41)	27.57	24.85
Staff welfare expenses	13.71	11.79
	501.11	**435.97**

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 35. FINANCE COSTS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities measured at amortized cost :		
- on borrowings (other than cumulative compulsorily convertible preference shares)	63.69	88.85
- on cumulative compulsorily convertible preference shares	66.02	67.15
- on lease liabilities	2.62	1.52
Interest to others *	0.50	19.39
Other borrowing cost**	3.08	6.09
	135.91	**183.00**

* Includes interest on shortfall of income tax of ₹ 0.49 (31 March 2023: ₹: 0.12)

** Includes financials guarantee charges paid to Uninventis Medicare Limited amounting to ₹ 2.24.

NOTE 36. DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer to note 5a)	100.99	98.76
Amortization of other intangible assets (refer to note 5b)	1.93	1.58
Depreciation on right-of-use assets (refer to note 6)	11.07	6.22
	113.99	**106.56**

NOTE 37. OTHER EXPENSES

	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	115.78	94.18
Stores and spares consumed	54.56	42.92
Sub contracting charges	37.44	22.49
Packing charges	78.31	70.60
Lab consumables	28.35	29.80
Repairs and maintenance		
- Plant and machinery	33.57	25.70
- Building	1.50	2.96
- Others	8.24	8.45
Commission on sales	35.62	30.54
Freight charges	12.44	13.23
Rates, fees and taxes	39.61	43.59
Legal and professional fee (refer note (a) and (b) below)	24.94	13.50
CSR expenditure (refer note (c) below)	14.26	11.47
Travelling and conveyance	26.55	19.33
House keeping expense	20.78	16.57
Security expenses	9.48	9.01
Printing and stationery	8.44	6.02
Rent	1.87	1.01
Bad debts written off	0.82	2.59
Insurance	10.43	8.58
Director sitting fees	-	2.02
Loss on fair valuation of cumulative compulsorily convertible preference shares	19.36	-
Loan to employee written off	5.10	-
Miscellaneous expenses	25.87	18.02
	613.32	**492.58**

NOTE 37. OTHER EXPENSES (Contd.)

	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Includes payment to auditors (excluding goods and services tax)		
As auditor:		
- Statutory audit	6.60	3.00
- Reimbursement of expenses	0.43	0.15
Total	**7.03**	**3.15**
(b) Excludes auditor's remuneration (excluding goods and services tax) related to proposed IPO*		
- Fees	39.48	13.55
- Reimbursement of expenses	1.97	0.13
	41.45	**13.68**

* In connection with the proposed Initial Public Offer ('IPO') of equity shares of the Company, expenses incurred by the Company towards the proposed IPO of equity shares held by the selling shareholder amounting to ₹ Nil (Include auditor expenses) (31 March 2023: ₹ 46.25) was presented as "IPO expenses recoverable" included under "other current financial assets" and recovered from the selling shareholders (as per the offer agreement) during the year ended 31 March 2024 and expenses incurred by the Company in relation to raising funds from capital market through the IPO amounting to ₹ Nil (Include auditor expenses) (31 March 2023: ₹ 39.19) was included in "prepaid expenses" under "other current assets" and adjusted towards the securities premium during the year ended 31 March 2024.

	For the year ended 31 March 2024	For the year ended 31 March 2023
(c) Details of CSR expenditure:		
(i) Amount required to be spent by the Company during the year :	14.26	11.36
(ii) Amount approved by the board to be spent during the year :	16.47	11.36
(iii) Amount of expenditure incurred on:		
- Construction/acquisition of any asset:	-	-
- On purposes other than above:*	16.47	11.47
(iv) Shortfall at the end of the year:	-	-
(v) Total of previous years shortfall:	-	-
(vi) Reason for shortfall:	NA	NA
(vii) 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.	
(viii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	5.57	6.17
(ix) CSR expenditure amounting to ₹ 5.57 (31 March 2023 ₹ 6.17) has been incurred by Univentis foundation through various implementing agencies.		

* Prepaid expenses includes CSR asset of ₹ 2.47 (31 March 2023: ₹ Nil) as excess spent on CSR activites and it can be carry forward upto immediately succeeding three financial years as per General Circular No. 14 /2021.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 38. TAX EXPENSE

		For the year ended 31 March 2024	For the year ended 31 March 2023
a.	**Amount recognized in Statement of Profit and Loss (including other comprehensive income):**		
	Current tax:		
	- Current year	253.09	191.73
	-Changes in estimates related to prior year	(1.25)	(3.12)
	Deferred tax:		
	- Attributable to origination and reversal of temporary differences	4.46	18.74
	Total tax expense recognized	**256.30**	**207.35**
b.	**Reconciliation of effective tax rate**		
	Profit before tax	936.98	783.07
	Tax at India's statutory tax rate of 25.17%	235.84	197.10
	Incremental allowance under Income tax act	(0.83)	-
	Tax effect of non-deductible expenses	21.61	13.57
	Changes in estimates related to prior year	(1.25)	(3.12)
	Income tax expense recognized in the statement of profit and loss	**255.37**	**207.55**
c.	**Income tax expense recognized in other comprehensive income**		
	Tax credit / (expense) arising on income and expenses recognized in other comprehensive income		
	Remeasurement of defined benefit obligation	(0.93)	0.20
	Total income tax recognized in other comprehensive income	**(0.93)**	**0.20**
	Bifurcation of the income tax recognized in other comprehensive income into:-		
	Items that will not be reclassified to profit or loss	(0.93)	0.20
		(0.93)	**0.20**

		As at 31 March 2024	As at 31 March 2023
d.	**Deferred tax balances reflected in the Balance Sheet:**		
	Deferred tax asset	21.45	15.21
	Deferred tax liability	69.87	59.17
	Deferred tax liability (net)	**48.42**	**43.96**

e. **Movement in deferred tax balances**

	As at 01 April 2023	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2024
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over books	57.45	10.01	-	67.46
Unbilled revenue	0.69	0.07	-	0.76
Lease liabilities	(0.66)	1.39	-	0.73
Right of use asset	1.69	(0.77)	-	0.92
Deferred tax liability (A)	**59.17**	**10.70**	**-**	**69.87**
Deferred tax asset				
Expenses allowable on payment basis	12.38	2.27	(0.93)	13.72
Expected credit loss allowance on trade receivables	1.49	(0.57)	-	0.92
Deferred income on grants	0.22	(0.11)	-	0.11
Provision for obsolete inventory	1.12	5.58	-	6.70
Deferred tax asset (B)	**15.21**	**7.17**	**(0.93)**	**21.45**
Deferred tax liability (net) (A-B)	**43.96**	**3.53**	**0.93**	**48.42**

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 38. TAX EXPENSE (Contd.)

	As at 01 April 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2023
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over books	36.52	20.93	-	57.45
Unbilled revenue	0.35	0.34	-	0.69
Lease liabilities	(0.01)	(0.65)	-	(0.66)
Right of use asset	-	1.69	-	1.69
Deferred tax liability (A)	**36.86**	**22.31**	**-**	**59.17**
Deferred tax asset				
Expenses allowable on payment basis	9.26	2.92	0.20	12.38
Expected credit loss allowance on trade receivables	2.06	(0.57)	-	1.49
Deferred income on grants	0.32	(0.10)	-	0.22
Provision for obsolete inventory	-	1.12	-	1.12
Deferred tax asset (B)	**11.64**	**3.37**	**0.20**	**15.21**
Deferred tax liability (net) (A-B)	**25.22**	**18.94**	**(0.20)**	**43.96**

NOTE 39. EARNINGS PER SHARE

		For the year ended 31 March 2024	For the year ended 31 March 2023
i.	*Profit for basic/diluted earning per share of face value of ₹ 10 each*		
	Profit for the year	681.61	575.52
ii.	*Calculation of Weighted average number of equity shares for (basic and diluted)*	50,563,901	48,000,000
	Basic and diluted earnings per share (face value of ₹ 10 each)	**13.48**	**11.99**

NOTE 40. 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 Financial Information. For management purpose, the Company has identified " Drugs and pharmaceutical products" as single operating segment.

a. **Information about products and services**

	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from drugs and pharmaceutical products	8,630.61	8,578.62
Total	**8,630.61**	**8,578.62**

b. **Information about geographical areas**

The geographical information analyses by the 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 Company's revenues and receivables by geographical market, regardless of where the goods were produced:

Revenue from customers*	For the year ended 31 March 2024	For the year ended 31 March 2023
India	7,491.97	7,893.70
Outside India	1,138.64	684.92
	8,630.61	**8,578.62**

* Revenue from customers has been presented based on the geographic location of customers.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 40. SEGMENT INFORMATION (Contd.)

Trade receivables	As at 31 March 2024	As at 31 March 2023
India	1,838.16	2,070.54
Outside India	335.72	226.22
	2,173.88	**2,296.76**

iii) Non-current assets

The Company 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 the year ended 31 March 2024, two customers of the Company constituted more than 10% of the total revenue of Company amounting to ₹ 2,260.82 (31 March 2023: one customer of the Company constituted more than 10% of the total revenue of Company amounting to ₹ 1,106.25).

NOTE 41. EMPLOYEE BENEFITS

a. Defined contribution plans

The Company 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 Company 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 2024	For the year ended 31 March 2023
Provident fund	23.87	21.06
ESI contribution	3.70	3.79
	27.57	**24.85**

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 year 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 Company 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.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 41. EMPLOYEE BENEFITS (Contd.)

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:

i. Reconciliation of present value of defined benefit obligation

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	26.25	19.45
Interest cost	1.94	1.40
Current service cost	4.74	5.33
Past service cost	-	-
Benefits paid	(2.11)	(0.72)
Actuarial (gain)/ loss recognized in other comprehensive income		
- from changes in financial assumptions	0.19	(2.67)
- from changes in demographic assumptions	(2.65)	2.38
- from experience adjustments	(1.23)	1.08
Balance at the end of the year	**27.13**	**26.25**

ii. Amount recognized in statement of profit and loss

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest cost	1.94	1.40
Current service cost	4.74	5.33
	6.68	**6.73**

iii. Remeasurements recognized in other comprehensive income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain)/loss for the year on defined benefit obligation	(3.70)	0.79
	(3.70)	**0.79**

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 2024	As at 31 March 2023
Discount rate (per annum)	7.25%	7.39%
Future salary growth rate (per annum)	3.00%	3.00%
Expected average remaining working lives (years)	26.51	27.54

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 41. EMPLOYEE BENEFITS (Contd.)

(ii) Demographic assumptions

	As at 31 March 2024	As at 31 March 2023
Retirement age (years)	58	58
Mortality rate	100% (IALM) (2012-14)	100% (IALM) (2012-14)
Attrition rate (per annum)		
Upto 30 years	47.15%	4.17%
From 31 to 44 years	20.22%	20.80%
Above 44 years	3.43%	10.43%

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

	As at 31 March 2024	As at 31 March 2023
Increase		
Discount rate (0.5% movement)	(0.63)	(0.59)
Future salary growth rate (0.5% movement)	0.69	0.64
Decrease		
Discount rate (0.5% movement)	0.67	0.62
Future salary growth rate (0.5% movement)	(0.66)	(0.62)

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 year) 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 year.

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

	As at 31 March 2024	As at 31 March 2023
Within 1 year (next annual reporting year)	5.00	4.02
Between 1 to 6 years	12.16	12.60
Beyond 6 years	9.95	9.61
Total expected payments	**27.11**	**26.23**

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

	As at 31 March 2024	As at 31 March 2023
Weighted average duration of the defined benefit plan (in years)	4.01	6.45
Expected employers contribution for next year	6.79	8.39

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 42. RELATED PARTIES

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

Description of Relationship	Name of the Party
Subsidiary	Univentis Medicare Limited (with effect from 31 December 2021)
	Univentis foundation (incorporated on 14 March 2021)
Step down subsidiary	Sharon Bio-Medicine Limited (with effect from 30 June 2023)
Key management personnel ('KMP')	Mr. Manoj Kumar Lohariwala (Chairman & Whole Time Director)
	Mr. Vinay Kumar Lohariwala (Managing Director)
	Mr. Jayant Vasudeo Rao (Whole Time Director)
	Mr. Archit Aggarwal (Non-executive Director - w.e.f 01 April 2022)
	Mr. Sudhir Kumar Bassi (Independent Director- w.e.f 01 April 2022)
	Mr. Mahendar Korthiwada (Independent Director- w.e.f 01 April 2022)
	Mr. Shirish Gundopant Belapure (Independent Director- w.e.f 01 April 2022)
	Ms. Priyanka Dixit (Independent Director- w.e.f 01 April 2022)
	Mr. Lokesh Bhasin (Chief Financial officer) (w.e.f 23 May 2023 to 11 August 2023) and (w.e.f 30 March 2024)
	Mr. Gaurav Srivastva (Chief Financial officer) (w.e.f 11 August 2023 to 29 March 2024)
	Mr. Rishi Gupta (Chief Financial officer) (till 26 April 2023)
	Mr. Gian Parkash Aggarwal (Non-executive Director)(till 01 April 2022)
	Mr. Pradosh Kumar (Non Executive Independent Director)(till 01 April 2022)
	Mr. Anup Agarwal (Non Executive Independent Director)(till 01 April 2022)
	Ms. Neeharika Shukla (Company Secretary) (w.e.f 09 May 2022)
	Mr. Mukesh Kumar Siyaram Singh (Key managerial personnel) (w.e.f from 30 June 2023)
	Mr.Rajveer Singh (Company Secretary)(till 01 April 2022)
	Ms. Chhavi Lohariwala (Non-executive Director)(till 01 April 2022)
Entities in which KMP and/or their relatives have significant influence	Univentis Medicare Limited (upto 31 December 2021)
	Azine Healthcare Private Limited
	Pharmatech Healthcare
	Sharon Bio-Medicine Limited (with effect from 30 June 2023)
	Nugenic Pharma Private Limited
	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 2024	For the year ended 31 March 2023
1	**Revenue from operations (net of returns)**		
	Univentis Medicare Limited	1,289.11	1,106.25
	Azine Healthcare Private Limited	4.82	5.29
	Pharmatech Healthcare	13.50	14.25
	Nugenic Pharma Private Limited	-	0.05
2	**Purchase of Merchandise Exports from India Scheme ('MEIS') Licence**		
	Univentis Medicare Limited	-	0.46

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 42. RELATED PARTIES (Contd.)

	Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
3	**Purchase of packing material**		
	Shubh Packaging	104.82	111.82
	Nugenic Pharma Private Limited	591.16	561.71
4	**Purchase of raw material**		
	Sharon Bio-Medicine Limited	1.43	-
5	**Purchase of store and spares**		
	Nugenic Pharma Private Limited	3.84	6.23
	Shubh Packaging	0.10	0.13
6	**Purchase of trading goods**		
	Univentis Medicare Limited	2.52	2.04
7	**Packing charges**		
	Shubh Packaging	-	0.13
8	**Recovery of Employee medical Insurance**		
	Univentis Medicare Limited	0.71	0.42
9	**Loans repaid during the year**		
	Manoj Kumar Lohariwala	84.00	20.00
	Gian Parkash Aggarwal	102.50	100.00
	Vinay Kumar Lohariwala	63.40	-
10	**Loan given to employee**		
	Rishi Gupta	-	5.00
	Mukesh Kumar	1.20	-
11	**Loan repaid by employee**		
	Mukesh Kumar	0.55	-
12	**Loan given to subsidiary**		
	Univentis Medicare Limited	1,366.00	-
13	**Interest income**		
	Univentis Medicare Limited	30.93	-
14	**Sitting fees**		
	Priyanka Dixit Sibal	0.81	0.43
	Sudhir Kumar Bassi	1.37	0.84
	Shirish G Belapure	1.10	0.47
	Mahendar Korthiwada	1.17	0.28
15	**Finance costs**		
	Manoj Kumar Lohariwala	4.09	7.57
	Vinay Kumar Lohariwala	3.09	4.74
	Gian Parkash Aggarwal	4.77	7.97
16	**Employee benefits expenses** *		
	Vinay Kumar Lohariwala	6.20	4.80
	Manoj Kumar Lohariwala	6.20	4.80
	Rishi Gupta	0.61	8.81
	Jayant Vasudeo Rao	1.61	1.47
	Gaurav Srivastva	7.85	-
	Lokesh Bhasin	0.93	-
	Neeharika Shukla	0.66	0.54
	Mukesh kumar	1.57	-

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 42. RELATED PARTIES (Contd.)

	Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
17	**Financial Guarantee Income #**		
	Univentis Medicare Limited	13.43	1.63
18	**Financial Guarantee charges ##**		
	Univentis Medicare Limited	2.24	0.88
	Manoj Kumar Lohariwala	-	0.30
	Vinay Kumar Lohariwala	-	0.30
	Gian Parkash Aggarwal	-	0.30
19	**Rental Income**		
	Sharon Bio-Medicine Limited	2.33	-
20	**Contribution to trust**		
	Univentis foundation (also refer note 37(c))	5.80	6.20
21	**Loan written off**		
	Rishi Gupta	5.00	-
22	**Electricity Expenses recovered**		
	Sharon Bio-Medicine Limited	0.34	-
23	**Security deposit received**		
	Sharon Bio-Medicine Limited	1.65	-

* Break-up of compensation of key managerial personnel of the Company	For the year ended 31 March 2024	For the year ended 31 March 2023
Short-term employee benefits	25.62	20.42
Post-employment benefits	0.27	2.07
Total compensation paid to key management personnel	**25.89**	**22.49**

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

#The Company has guaranteed an amount of ₹ NIL (31 March 2023: ₹ 350.00) to HDFC Bank on behalf of its Subsidiary Company for availment of bank guarantee and term loan respectively for acquisition of Sharon Bio-Medicine Limited. The Company has also guaranteed an amount of ₹ 300.00 (31 March 2023: ₹ 300.00) to HDFC Bank on behalf of its Subsidiary Company in relation to the short term borrowing facilities availed by the Subsidiary Company.

Refer note 21 for details of personal guarantee provided by Vinay Kumar Lohariwala, Manoj Kumar Lohariwala and Gian Parkash Aggarwal for the borrowing facilities availed by the Company. Also, the Subsidiary Company has acquired an wholly owned subsidiary on 30 June 2023 as per the provisions of Insolvency and Bankruptcy Code (refer note 49 for further details). The resolution plan required a performance guarantee to be furnished by Company, which was issued by the Subsidiary Company on behalf of the Company and was approved in extra ordinary general meeting of shareholding of the Subsidiary Company on 04 November 2022.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 42. RELATED PARTIES (Contd.)

C. Balances outstanding at year end

	Nature of balances	As at 31 March 2024	As at 31 March 2023
1	**Non- current borrowings**		
	Gian Parkash Aggarwal	-	102.50
	Manoj Kumar Lohariwala	-	84.00
	Vinay Kumar Lohariwala	-	63.40
2	**Trade payables**		
	Shubh Packaging	13.19	2.73
	Nugenic Pharma Private Limited	152.11	85.04
	Sharon Bio-Medicine Limited	0.21	-
3	**Trade receivables**		
	Pharmatech Healthcare	12.17	10.50
	Azine Healthcare Private Limited	3.03	4.31
	Sharon Bio-Medicine Limited	0.34	-
	Univentis Medicare Limited	292.90	311.96
4	**Interest accrued but not due on borrowings**		
	Manoj Kumar Lohariwala	-	1.48
	Vinay Kumar Lohariwala	-	0.79
	Gian Parkash Aggarwal	-	1.77
5	**Loan outstanding to employees**		
	Mukesh Kumar	1.10	-
	Rishi Gupta	-	5.00
6	**Loan to subsidiary**		
	Univentis Medicare Limited	1,366.00	-
7	**Prepaid expenses**		
	Univentis foundation	0.43	0.03
8	**Employee related payables**		
	Manoj Kumar Lohariwala	0.42	0.30
	Vinay Kumar Lohariwala	0.42	0.30
	Jayant Vasudeo Rao	0.12	0.11
	Gaurav Srivastava	0.65	-
	Lokesh Bhasin	0.01	-
	Rishi Gupta	-	0.56
	Neeharika Shukla	0.03	0.05
	Mukesh Kumar	0.05	-
9	**Security deposit**		
	Sharon Bio-Medicine Limited	1.65	-

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 and settlement occurs in cash.

E. Refer note 17 and 18 for IPO expenses recoverable.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 43. 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 Financial Information based on information available with the Company as under:

Particulars		As at 31 March 2024	As at 31 March 2023
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
	- Principal amount remaining unpaid to any supplier	0.12	0.50
	- Interest due thereon remaining unpaid to any supplier	-	0.00 ^
(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 year;	-	-
(iii)	the amount of interest due and payable for the year 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)	0.01	0.01
(iv)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	0.01	5.03
(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.	5.04	5.03

^ The total value of interest in absolute value was ₹ 350.00 but for reporting rounded upto ₹ 0.00 million.

NOTE 44. 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 Company, other than those which are measured at FVTPL:

	Note	As at 31 March 2024			As at 31 March 2023		
		Carrying value	Amortized Cost	Fair value through OCI	Carrying value	Amortized Cost	Fair value through OCI
Financial assets							
Investments	a	600.00	600.00	-	600.00	600.00	
Loans	b,c	1,377.05	1,377.05	-	14.59	14.59	-
Trade receivables	c	2,173.88	2,173.88	-	2,296.76	2,296.76	-
Cash and cash equivalents	c	113.89	113.89	-	31.35	31.35	-
Bank balances other than above	c	749.63	749.63	-	118.50	118.50	-
Other financial assets	b,c	72.20	72.20	-	75.39	75.39	-
		5,086.65	**5,086.65**	**-**	**3,136.59**	**3,136.59**	**-**
Financial liabilities							
Borrowings	b,c	2,407.85	2,241.87	-	2,351.87	2,351.87	-
Lease liabilities	b,c	31.37	31.37	-	15.91	15.91	-
Trade payables	c	1,535.12	1,535.12	-	1,480.84	1,480.84	-
Other financial liabilities	c	213.54	213.54	-	63.17	63.17	-
		4,187.88	**4,021.90**	**-**	**3,911.79**	**3,911.79**	-

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
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NOTE 44. FINANCIAL INSTRUMENT : FAIR VALUE MEASUREMENTS (Contd.)

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

	Level	Note	As at 31 March 2024		As at 31 March 2023	
			Carrying value	FVTPL	Carrying value	FVTPL
Financial liabilities						
Other financial liabilities	3	d	-	-	78.94	78.94
			-	-	**78.94**	**78.94**

Notes:

a. The carrying value of investment in Shivalik Solid Waste Management Limited was ₹ 2,500/-. Fair value of this investment is not considered to be material. As per paragraph 10 of Ind AS 27, the Company has elected to measure its investment in Univentis Medicare Limited (Subsidiary of the Company), at its cost.

b. The fair value of non-current assets and non-current liabilities (except lease liabilities) are valued based upon discounted cash flow valuation method. The valuation model considers the present value of expected payments, discounted using risk adjusted discount rate. The own non-performance risk was assessed to be insignificant.

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 Black scholes model 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.

As at 31 March 2023

Particulars	Valuation technique	Significant unobservable input	Sensitivities analysis
Derivative component of cumulative compulsorily convertible preference shares	Black Scholes model	Growth rate-5%	Year on year growth rate - Increase / (decrease) in growth rate by 1% would result in increase/ (decrease) in CCCPS liability by ₹ 22.46 / (15.84)
		Cost of equity-13%	Cost of equity - increase/(decrease) in cost of equity by 1% would result in (decrease)/ increase in CCCPS liability by ₹ (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	Derivative component of cumulative compulsorily convertible preference shares
Balance as at 01 April 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**
Balance as at 01 April 2023	78.94
Loss included in Statement of Profit and Loss	
– Net change in fair value	19.36
Utilized at the time of conversion of CCCPS into equity shares	(98.30)
Balance at 31 March 2024	**-**

There are no transfers between level 1, level 2 and level 3 during the year presented.

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(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 45(a). FINANCIAL RISK MANAGEMENT

Risk management framework

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of director oversees the management of these risks. The Company's board of director is responsible to ensure that Company'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 Company's policies and risk objectives. The Board of directors reviews and agrees policies for managing each of these risks, which are summarized below.

(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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company 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 Company's borrowing to interest rate changes as reported to the management at the end of the reporting year are as follows:

The exposure of the Company's borrowing to floating interest rate as reported at the end of the reporting year are as follows:

	As at 31 March 2024	As at 31 March 2023
Floating rate borrowings	2,403.93	979.33
Fixed rate borrowings	7.27	1,372.54
Total borrowings (gross of transaction cost)	**2,411.20**	**2,351.87**

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 2024				
Interest rate (0.5% movement)	0.65	(0.65)	0.49	(0.49)
year ended 31 March 2023				
Interest rate (0.5% movement)	0.78	(0.78)	0.58	(0.58)

(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 Company 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 Company's operating activities.

The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk.

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NOTE 45(a). FINANCIAL RISK MANAGEMENT (Contd.)

Exposure to currency risk :

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting year are as follows:

		As at 31 March 2024		As at 31 March 2023	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivable	USD	3.73	310.79	2.69	221.56
	EUR	0.06	5.34	0.05	4.66
	GBP	0.19	19.59	-	-
Trade payables	USD	0.37	30.73	0.77	64.50
	EUR	0.17	15.37	0.00	0.40

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 Company's sensitivity to a 5% increase and decrease in the ₹ 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 ₹ strengthens 5% against the relevant foreign currency. For a 5% weakening of the ₹ against the relevant foreign currency, 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 2024				
USD 5% movement	14.00	(14.00)	13.75	(13.75)
EURO 5% movement	(0.50)	0.50	(0.75)	0.75
GBP 5% movement	0.98	(0.98)	0.73	(0.73)
As at 31 March 2023				
USD 5% movement	14.30	(14.30)	10.70	(10.70)
EURO 5% movement	0.25	(0.25)	0.19	(0.19)

(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 Company 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 Company'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 Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
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NOTE 45(a). FINANCIAL RISK MANAGEMENT (Contd.)

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 Company's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Within India	1,838.16	2,070.54
Outside India	335.72	226.22
Total	**2,173.88**	**2,296.76**

The carrying amount of the Company's most significant customer is ₹ 292.90 (31 March 2023: ₹ 311.96)

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables :

As at 31 March 2024	Gross carrying amount	Loss allowance	Weighted average loss rate	Whether credit-impaired
Not due	1,552.87	(0.02)	0.00%	No
Less than 90 days	519.77	(0.02)	0.00%	No
90-180 days	44.64	(0.01)	(0.03%)	No
More than 180 days	60.24	(3.59)	(5.97%)	No
Total	**2,177.52**	**(3.64)**		

As at 31 March 2023	Gross carrying amount	Loss allowance	Weighted average loss rate	Whether credit-impaired
Not due	1,699.83	(0.31)	(0.02%)	No
Less than 90 days	518.66	(0.29)	(0.06%)	No
90-180 days	49.03	(0.28)	(0.58%)	No
More than 180 days	34.96	(4.84)	(13.85%)	No
Total	**2,302.48**	**(5.72)**		

(b) Security deposits

The Company furnished security deposits as margin money deposits to bank. The Company 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 Company expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

(c) Financial guarantee

The Company provides financial guarantees to banks in respect of credit facilities availed by the subsidiaries from banks to cover the loss on the credit extended to subsidiaries. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual entities within the group, and by monitoring exposures in relation to such limits. It is the responsibility of the Board of directors to review and manage credit risk.

The Company has assessed the credit risk associated with its financial guarantee contracts for allowance for Expected Credit Loss (ECL) as at the year end. The Company makes use of various reasonable supportive forward-looking parameters which are both qualitative as well as quantitative while determining the change in credit risk and the probability of default. The Company's maximum exposure relating to financial guarantees as on 31 March 2024 is ₹ 300.00 (31 March 2023: ₹ 650.00). Considering the creditworthiness of entities within the group in respect of which financial guarantees have been given to banks, the management believes that the subsidiaries have a low risk of default and do not have any amounts past due. Accordingly, no allowance for expected credit loss needs to be recognized as at year end.

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for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 45(a). FINANCIAL RISK MANAGEMENT (Contd.)

(iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company 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 Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2024	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings	2,407.85	228.19	98.21	552.38	1,532.43	2,411.21
Other financial liabilities	213.54	-	213.54	-	-	213.54
Trade payables	1,535.12	-	1,535.12	-	-	1,535.12
Lease liabilities	31.37	-	10.31	24.65	41.92	76.88
Total	**4,187.88**	**228.19**	**1,857.18**	**577.03**	**1,574.35**	**4,236.75**

As at 31 March 2023	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings *	2,351.87	-	1,010.10	378.19	495.13	1,883.42
Other financial liabilities*	63.17	-	63.17	-	-	63.17
Trade payables	1,492.20	-	1,492.20	-	-	1,492.20
Lease liabilities	15.91	-	3.59	7.14	41.92	52.65
Total	**3,923.15**	**-**	**2,569.06**	**385.33**	**537.05**	**3,491.44**

* The carrying amount of borrowings and other financial liabilities include CCCPS amounting to ₹ 468.45 and derivative component of CCCPS of ₹ 78.94. As the CCCPS 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 CCCPS has not been given.

(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 Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company'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.

NOTE 45(b). CAPITAL RISK MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company 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 Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade payables and borrowings, less cash and cash equivalents and other bank balances.

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NOTE 45(b). CAPITAL RISK MANAGEMENT (Contd.)

Particulars	As at 31 March 2024	As at 31 March 2023
Total liabilities	4,313.49	4,100.16
Less: cash and cash equivalents (Refer note 14)	113.89	31.35
Less: Bank balances other than cash and cash equivalents (Refer note 15)	749.63	118.50
Adjusted net debt	**3,449.97**	**3,950.31**
Equity share capital (Refer note 19)	572.25	480.00
Other equity (Refer note 20)	6,664.92	2,203.20
Total capital	**7,237.17**	**2,683.20**
Total Capital and adjusted net debt	10,687.14	6,633.49
Gearing ratio	**32.28%**	**59.55%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to maintain investor, creditor and market confidence and to sustain future development of the business.

NOTE 46(i). CONTINGENT LIABILITIES

(a) Claims against the Company not acknowledged as debts (to the extent not provided for)

	As at 31 March 2024	As at 31 March 2023
Income tax matters*	-	0.60
	-	**0.60**

*For assessment year 2017-2018, the Income tax Assessing Officer had raised the demand of ₹ 13.09 vide order dated 15 December 2019. On 19 July 2021, the Assistant Commissioner of Income Tax reduced the demand to ₹ 0.60. The Company is of the view that the demand of ₹ 0.60 has been raised erroneously and accordingly, the Company has filed an application for rectification with the Deputy Commissioner of Income Tax to contest the demand. Subsequently the rectification order has been passed on dated 09 May 2024 nullifying the demand.

NOTE 46(ii). OTHER COMMITMENTS

(a) Guarantee outstanding

	As at 31 March 2024	As at 31 March 2023
Guarantee outstanding	300.00	650.00
	300.00	**650.00**

The Company has guaranteed an amount of ₹ Nil (31 March 2023: ₹ 350.00) to HDFC Bank on behalf of its Subsidiary Company for availment of bank guarantee for acquisition of Sharon Bio-Medicine Limited. The Company has also guaranteed an amount of ₹ 300.00 (31 March 2023: ₹ 300.00) to HDFC Bank on behalf of its Subsidiary Company in relation to the short term borrowing facilities availed by the Subsidiary Company.

(b) Capital commitment

	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for	678.40	1,584.38
	678.40	**1,584.38**

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NOTE 47. DISCLOSURES PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:

Particulars	As at 31 March 2024	As at 31 March 2023
Investments:		
(i) Investment in equity shares: Univentis Medicare Limited		
Balance as at the year end	600.00	600.00
Maximum amount outstanding at any time during the year	600.00	600.00
(ii) Investment in equity shares: Shivalik waste management system		
Balance as at the year end ^	0.00	0.00
Maximum amount outstanding at any time during the year ^	0.00	0.00
^ The total value of shares in absolute value was ₹ 2,500/- but for reporting rounded upto ₹ 0.00 million.		
Loan:		
(i) Loan provided by the Company to subsidiary		
- For acquisition of Sharon Bio Medicine Limited		
Balance as at the year end	1366.00	-
Maximum amount outstanding at any time during the year	1366.00	-
Guarantees:		
(i) Guarantee provided by Company on behalf of Univentis Medicare Limited		
- For acquisition of Sharon Bio Medicine Limited		
Balance as at the year end	-	350.00
Maximum amount outstanding at any time during the year	350.00	350.00
(ii) Guarantee provided by Company on behalf of Univentis Medicare Limited		
- For availment of short term borrowing facilities		
Balance as at the year end	300.00	300.00
Maximum amount outstanding at any time during the year	300.00	300.00
(iii) Guarantee provided by Company on behalf of Univentis Medicare Limited		
- For availment of long term borrowing facilities for acquisition of Sharon Bio-Medicine Limited		
Balance as at the year end	-	-
Maximum amount outstanding at any time during the year	1,450.00	-

NOTE 48. LOAN TO SPECIFIED PERSON

Type of Borrower	As at 31 March 2024		As at 31 March 2023	
Related Party-	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loan or advance in the nature of loan	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loan or advance in the nature of loan
Univentis Medicare Limited (subsidiary)*	1,366.00	99.20%	-	-

* During the year ended 31 March 2024 Loan of ₹ 1,366.00 was given to subsidiary and carried interest rate of 8.50% per annum. The loan is repayable on demand.

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NOTE 49. OTHER MATTER

During the year ended 31 March 2024, The Company has acquired Sharon Bio Medicine Limited ("Sharon"), an 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 and performs pre-clinical and toxicology research services. The Company has submitted a resolution plan dated 22 August 2022 (as modified on 06 October 2023) ("Resolution Plan") in relation to the CIRP involving Sharon. The Resolution Plan was approved by the committee of creditors on 16 November 2023 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 and as per board resolution passed by the board of directors of Univentis Medicare Limited ("UML") on 20 March 2023, it was decided that acquisition of Sharon would be done through UML.

The Resolution Plan was approved by the NCLT pursuant to its order dated 17 May 2023 and in accordance with the terms of the Resolution Plan approved by the NCLT, UML infused ₹ 1,954.00 (₹ 1,944.00 as loan and ₹ 10.00 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 ₹ 1,450.00 from HDFC bank for purpose of aforesaid infusion into Sharon. The Guarantee for this loan was given by the 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 resolution application did not record the fact of such merger, the merger application was rejected by NCLT vide order dated 16 October 2023.

'The erstwhile Resolution Applicant Peter Back Und Peter Vermoegenssverwaltung ("PBP") in lieu of performance bank guarantee is forfeited by way of the NCLT Order and accordingly sum of ₹ 10.06 crores appearing as Share application money but pending for allotment, has been transferred to State bank of India by the Abhyudaya Bank.

It is pertinent to note that Sharon was a listed entity as on date when acquisition was made by UML. As of today, all administrative tasks relating to implementation of Resolution Plan are complete and approval for application of delisting has been received by Sharon from stock exchange on 13 February 2024 confirming that the scrips of Sharon will be delisted from the Exchange records w.e.f. 20 February 2024.

Also, during the year ended 31 March 2023, following major events took place at 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 ₹ 23.56 with its written down value ₹ 9.68 and Stock (Finished Goods) worth ₹ 1.10 were destroyed in the fire. The above assets were insured for which company has filed a claim of ₹ 52.30 for property, plant and equipment and ₹ 1.10 for inventory. The reinstatement of Production Line-II has been completed and the Company has started the production activities from 22 March 2024.The Company is expecting the insurance proceeds to be received by end of June 2024.

b) On 09 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 10 March 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 06 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 promoters of Sharon and with respect to trading activities for the years priors to Pre-CIRP period and bears no negative/adverse impact on the Company.

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NOTE 50. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company 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.

(iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) During the year ended 31 March 2024, the Company has provided a total unsecured loan of ₹ 1,366.00 to its Univentis medicare limited ("UML") out of which ₹ 100.00 was provided to the Company during the period ended 30 June 2023 out of which ₹ 10.00 has been invested by the UML in Sharon Bio-medicine Limited on 26 June 2023 subsequent to this Sharon Bio-Medicine Limited became wholly owned subsidiary on 30 June 2023 as unsecured loan to SBML and balance amount out of ₹ 1,366.00 utilised toward repayment of HDFC bank term loan. Apart from this, 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 Company 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Further the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) The Company has not 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

(ix) The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(xii) The Company is not a Core Investment Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016).

(xiii) The Company has used borrowing for the purpose for which they have been obtained.

NOTE 51. 'The Company has completed its IPO of 12,723,214 equity shares of face value ₹ 10 each at an issue price of ₹ 448 per share (including a share premium of ₹ 438 per share) and as a result the equity shares of the Company were listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on 29 December 2023. The issue comprised of a fresh issue of 7,142,857 equity shares aggregating to ₹ 3,200.00 and offer for sale of 5,580,357 equity shares by selling shareholders aggregating to ₹ 2,500.00.

The Company has estimated ₹ 478.39 as IPO related expenses and allocated such expenses between the Company (₹ 272.29 of this amount, ₹ 263.17 has been adjusted to the security premium account) and selling shareholders (₹ 205.60) in proportion to the equity shares allotted to the public as fresh issue by the Company and under offer for sale by selling shareholder respectively. Out of the total IPO proceeds the fund available in monitoring agency account is ₹ 94.93 for remitting funds for pending IPO related expenses.

The Company has received an amount of ₹ 2,931.09 (net of IPO expenses of ₹ 268.91) from proceeds out of fresh issue of equity shares.Out of these proceeds, ₹ 3.88 is payable to selling shareholders on account of IPO expenses incurred on behalf of the Company. The utilization of the net IPO proceeds is summarised below

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 51. (Contd.)

(₹ in million)

Objectives as per Prospectus	Planned net proceeds as per prospectus	Actual net proceeds	Utilization upto 31 March 2024	Unutilized amount as on 31 March 2024
Repayment and / prepayment, in part or in full, of certain outstanding loans of Company	1,444.00	1,444.00	1,444.00	-
Investment in subsidiary for repayment and / or prepayment in part or full outstanding loan availed by the subsidiary	236.00	236.00	236.00	-
Funding Company working capital requirements*	720.00	720.00	100.00	620.00
General corporate purpose	531.09	531.09	531.09	-
Total Proceeds	**2,931.09**	**2,931.09**	**2,311.09**	**620.00**

*Includes ₹ 3.88 payable to selling shareholders on account of IPO expenses incurred on behalf of the Company.

The Net IPO proceeds which were unutilized as at 31 March 2024, ₹ 620.00 is temporarily invested in fixed deposit.

The Company has applied for change in CIN from unlisted to listed and the application vide SRN No AA6898984 dated 06 March 2024 is pending with MCA.

NOTE 52. RATIOS AS PER THE SCHEDULE III REQUIREMENTS

a) Current Ratio = Current Assets divided by the Current Liabilities

Particulars	31 March 2024	31 March 2023	Variance in ratio
Current assets	4,374.37	3,783.81	
Current liabilities	2,134.01	2,593.20	
Ratio	2.05	1.46	**40.48%**

The variance is due to the increase in FD amount created out of proceeds of IPO.

b) Debt Equity ratio = Total debt divided by the Total Equity where total debt refer to sum of current and non current borrowings.

Particulars	31 March 2024	31 March 2023	Variance in ratio
Current borrowings	325.87	1,010.10	
Non - current borrowings	2,081.98	1,341.77	
Total debt	**2,407.85**	**2,351.87**	
Total equity	**7,237.17**	**2,683.20**	
Ratio	0.33	0.88	**(62.04%)**

The same is decrease due to increase in total equity of the Company mainly because of IPO.

c) Debt service coverage Ratio = Earning available for debt service divided by interest and principal repayments

Particulars	31 March 2024	31 March 2023	Variance in ratio
Net profit after tax	**681.61**	**575.52**	
Add : Non cash operating expenses and finance cost	**249.90**	**289.56**	
Depreciation and amortization expense	113.99	106.56	
Finance costs	135.91	183.00	
Earning available for debt service	**931.51**	**865.08**	
Interest cost on borrowing (A)	203.65	186.35	
Current maturities of non current borrowings (B)	97.68	30.77	
Undiscounted lease liability less than one year (C)	10.31	3.59	
Total Interest and Principal repayments (D) = (A+B+C)	**311.64**	**220.70**	
Ratio	**2.99**	**3.92**	**(23.74%)**

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 52. RATIOS AS PER THE SCHEDULE III REQUIREMENTS (Contd.)

d) **Return on equity ratio = Profit after tax divided by equity**

Particulars	31 March 2024	31 March 2023	Variance in ratio
Profit after tax	681.61	575.52	
Total equity at beginning of the year (A)	2,683.20	2,108.27	
Total equity at end of the year (B)	7,237.17	2,683.20	
Average equity (C = (A+B)/2)	**4,960.18**	**2,395.73**	
Ratio	**13.74%**	**24.02%**	**(42.80%)**

The variance is due to the increase in total equity during the year due to IPO.

e) **Inventory Turnover ratio = Cost of goods sold divided by average inventory**

Particulars	31 March 2024	31 March 2023	Variance in ratio
Cost of goods sold	6,455.16	6,672.89	
Inventory at beginning of the year (A)	972.72	1,052.86	
Inventory at end of the year (B)	939.90	972.72	
Average Inventory (C =(A+B)/2)	956.31	1,012.79	
Ratio	**6.75**	**6.59**	**2.45%**

f) **Trade receivables turnover ratio = Revenue from operations divided by average trade receivables**

Particulars	31 March 2024	31 March 2023	Variance in ratio
Revenue from operation	8,649.29	8,586.73	
Trade receivables at beginning of the year (A)	2,296.76	1,738.53	
Trade receivables at end of the year (B)	2,173.88	2,296.76	
Average trade receivables (C =(A+B)/2)	2,235.32	2,017.65	
Ratio	**3.87**	**4.26**	**(9.08%)**

g) **Trade payable turnover ratio = Total of purchase and other expenses divided by average trade payables**

Particulars	31 March 2024	31 March 2023	Variance in ratio
Purchase of raw materials (A)	6,358.34	6,376.28	
Purchase of stock in trade (B)	64.00	216.48	
Total purchase (C=(A+B))	6,422.34	6,592.76	
Other expenses (D)	578.88	478.52	
Total (E=(C+D))	7,001.22	7,287.76	
Trade payable at beginning of the year (F)	1,480.84	1,404.31	
Trade payable at end of the year (G)	1,535.12	1,480.84	
Average trade payable (H=(F+G)/2)	1,507.98	1,442.58	
Ratio	**4.64**	**5.05**	**(8.10%)**

h) **Net capital turnover ratio = Revenue from operations divided by working capital whereas working capital = current assets - current liabilities**

Particulars	31 March 2024	31 March 2023	Variance in ratio
Revenue from operations	8,649.29	8,586.73	
Current assets (A)	4,374.37	3,783.81	
Current liabilities (B)	2,134.01	2,593.20	
Working capital (C=A-B)	2,240.36	1,190.61	
Ratio	**3.86**	**7.21**	**(46.47%)**

The variance is due to the increase in working capital of the Company, which is mainly because of increase in Cash & Cash equivalent , Bank Balances and Loan given by the Company.

Notes to the Standalone Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 52. RATIOS AS PER THE SCHEDULE III REQUIREMENTS (Contd.)

i) **Net profit ratio = Profit after tax divided by revenue from operations**

Particulars	31 March 2024	31 March 2023	Variance in ratio
Profit after tax	681.61	575.52	
Revenue from operations	8,649.29	8,586.73	
Ratio	**7.88%**	**6.70%**	**17.58%**

j) **Return on capital employed = Earning before Interest and Tax (EBIT) divided by Capital Employed**

Particulars	31 March 2024	31 March 2023	Variance in ratio
Profit before tax (A)	936.98	783.07	
Finance cost (B)	135.91	183.00	
Other Income (C)	107.18	87.34	
EBIT (D) = (A)+(B)-(C)	**965.71**	**878.73**	
Total assets (E)	11,550.66	6,783.36	
Total liabilities (F)	4,313.49	4,100.16	
Intangible assets (G)	7.11	7.69	
Tangible net worth (H=(E)-(F)-(G))	**7,230.06**	**2,675.50**	
Current borrowings (I)	325.87	1,010.10	
Non - current borrowings (J)	2,081.98	1,341.77	
Total debt (K=(I)+(J))	**2,407.85**	**2,351.87**	
Deferred tax liabilities (net) (L)	48.42	43.96	
Capital employed (M) = (H)+(K)+(L)	9,686.33	5,071.34	
Ratio (D)/(M)	**9.97%**	**17.33%**	**(42.46%)**

The return on capital employed as increase in tangible net worth of the Company mainly due to Jammu project which is under progress.

k) **Return on Investment = Income generated by investment divided by time weighted average investment.**

Particulars	31 March 2024	31 March 2023	Variance in ratio
Income generated from investment (A)	-	-	
Investment (B)	600.00	600.00	-
Ratio (A)/(B)	-	-	-

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: 29 May 2024

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Independent Auditor's Report

To the Members of Innova Captab Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Innova Captab Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition – Fraud risk and measurement estimation

See Note 29 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group recognises revenue from sale of products and services when control over goods is transferred to customer/ services are rendered based on specific terms and conditions of sale/ service contracts entered into with respective customers. Revenue is measured net of variable consideration i.e. price concessions, incentives, discounts and returns. We have identified recognition of revenue as a key audit matter as– • revenue is a key performance indicator; • there is a presumed fraud risk of revenue being overstated through manipulation of the timing and amount of revenue recognized due to pressures to achieve performance targets as well as meeting external expectations; and • measurement of revenue. It involves significant estimation to determine the amount to be recognized as revenue.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: 1. Assessing the compliance of the Group's revenue recognition policies with Ind AS 115 i.e. Revenue from Contracts with Customers; 2. Evaluating design and implementation and testing operating effectiveness of relevant key internal controls with respect to revenue recognition; 3. Performing substantive testing on samples selected using statistical sampling method for revenue transactions recorded during the year by testing underlying documents such as: i. invoices, ii. goods dispatch notes, iii. third party shipping documents / customer acceptances (as applicable), and iv. subsequent receipts in the bank statements (as applicable) to assess revenue is recognized in relevant period in which control is transferred or services are provided; 4. Testing journals posted to revenue ledger selected based on specified risk-based criteria to identify unusual items; 5. Testing on a sample basis using statistical sampling method, specific revenue transactions recorded before and after the financial year end date to check revenue recognition in the correct financial period; 6. Carrying analytical procedures on revenue recognized during the year to identify unusual variances ; 7. Testing contractual terms to assess performance obligation and basis for revenue recognition; 8. Testing samples relating to price concessions, incentives, discounts and returns recorded during the year by comparing the subsequent settlements / credit notes generated towards these items; 9. Testing the year end accruals made by checking the estimates by reference to the terms of applicable policies, historical levels of product returns, actual sales etc.; 10. Assessing adequacy of disclosures in financial statements against the requirement of Ind AS 115.

Business combination - purchase price allocation (PPA) for acquisition of Sharon Bio-Medicine Limited (SMBL)

See Note 47 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
On 30 June 2023, the Group completed the acquisition of SBML, pursuant to the approved resolution plan under the Insolvency and Bankruptcy Code, 2016. The Group determined acquisition to be business combination in accordance with Ind AS 103 which requires identified assets and liabilities to be recognised at fair value at the date of acquisition. The excess of fair value over acquisition cost is recognised as capital reserve. Group engaged with auditor of SBML ("other auditor") to perform an audit of financial information of SBML as at acquisition date. Group appointed independent valuers for Purchase Price Allocation ('PPA'), identification and fair valuation of acquired assets and liabilities. The purchase price allocation resulted the Group recognising capital reserve of ₹ 711.95 million in "Other Equity". Significant assumptions and estimates were used in determination of fair values of the identified assets and liabilities in the transaction and thus we consider this area to be a Key Audit Matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: 1. Obtaining understanding of the transaction and identifying key terms relevant for accounting of transaction as a bargain purchase; 2. Testing design and operating effectiveness of Group's key controls over accounting of business combination; 3. We assessed competence, capabilities and objectivity of Group's expert engaged to determine fair value of the assets and liabilities acquired; 4. We gained an understanding of the work carried out by Group's expert; 5. Tracing value of consideration transferred as per the resolution plan; 6. Obtaining financial information of SBML, as at acquisition date, audited by other auditor; 7. Involving our valuation experts to examine methodology and key assumptions used in purchase price allocation and determine the fair value of assets and liabilities acquired at acquisition date; 8. Verifying Group's computation of capital reserve; 9. Examining adequacy of disclosures in consolidated financial statements.

Independent Auditor's Report (Contd.)

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS'/BOARD OF TRUSTEES' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies and Board of trustees of the trust included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company/trust and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies and the Board of trustees of the trust included in the Group are responsible for overseeing the financial reporting process of each company/trust.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Holding Company and the subsidiary company and subsidiary company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 2,037.54 million as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 1,432.73 million and net cash outflows (before consolidation adjustments) amounting to ₹ 405.13 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have 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 these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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 reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary, as was audited by other auditor, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor of subsidiary company except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company and the subsidiary company as on 05 April 2024, 26 April 2024, 13 May 2024, 15 May 2024, 16 May 2024, 17 May 2024, 18 May 2024 and 24 May 2024 taken on record by the Board of Directors of the Holding Company and the subsidiary company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us along with the consideration of the reports of the other auditors

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 46(i) to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.

d. (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in the Note 50(x) to the consolidated financial statements, 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 Holding Company or subsidiary companies 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in the Note 50(xi) to the consolidated financial statements, no funds have been received by the Holding Company or subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, the Company has used accounting softwares' for maintaining its books of account which have a feature of recording audit trail (edit log) facility. except for the instances mentioned below, the Holding Company and its subsidiary companies have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, except for the instances mentioned below, we and respective auditors of such subsidiary companies did not come across any instance of audit trail feature being tampered with.

Instances of accounting software for maintaining its books of account which did not had a feature of recording audit trail (edit log) facility and the same was not operated throughout the year for all relevant transactions recorded in the software	In respect of the Holding company and one subsidiary company, based on our examination which included test checks, the Holding Company and one subsidiary company has used accounting softwares' for maintaining its books of account which have a feature of recording audit trail (edit log) facility.
	The feature of recording audit trail (edit log) facility for one of the accounting software has not operated throughout the year as it was enabled by the Holding Company and one subsidiary company in a phased manner from 27 January 2024 for certain tables/fields relating to revenue, trade receivables, inventory, fixed assets, tax, cash and bank records, general ledger and other allied areas of the said accounting software. The feature of recording audit trail facility for the above has been operating for the period since when the same has been enabled for all relevant transactions recorded in the said software. In addition, the feature of recording audit trail (edit log) facility was not enabled at the application layer for the period from 01 April 2023 to 31 March 2024 for certain remaining tables/fields relating to revenue, trade receivables, inventory, fixed assets, tax, cash and bank records, purchases, trade payable, general ledger and other allied areas of the said accounting software.

	The feature of recording audit trail (edit log) facility was enabled at the database layers to log any direct data changes for the said accounting software used for maintaining the books of account, however, the logs generated were not readable due to current system functionality.
	Based on our examination which included test checks, the Holding Company and one subsidiary company has used a separate accounting software for maintaining its books of account related to payroll which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the said accounting software. Further, the audit trail was not enabled at the database level for this accounting software to log any direct data changes.
Instances of audit trail feature being tampered with	In respect of the Holding company and one subsidiary company, for the period where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with during the course of our audit for one of the accounting software and are unable to test the same for the other accounting software relating to payroll due to certain system inherent limitations.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us along with the consideration of reports of the other auditor of one subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Gaurav Mahajan
Partner
Membership No.: 507857
ICAI UDIN:24507857BKFUQC4799

Place: Panchkula
Date: 29 May 2024

Annexure A

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Innova Captab Limited	U24246MH2005PLC150371	Holding Company	(i)c, (ii)(b) and (vii)a
2	Univentis Medicare Limited	U24232HP2015PLC000992	Subsidiary Company	(ii)(b) and (vii)a
3	Sharon Bio- medicine Limited	L24110MH1989PLC052251	Subsidiary Company	(vii)(b)

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

Gaurav Mahajan
Partner
Membership No.: 507857
ICAI UDIN:24507857BKFUQC4799

Place: Panchkula
Date: 29 May 2024

Annexure B

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Innova Captab Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as were audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

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

Gaurav Mahajan
Partner

Place: Panchkula
Membership No.: 507857

Date: 29 May 2024
ICAI UDIN:24507857BKFUQC4799

Consolidated Balance Sheet

As At 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	5a	2,916.08	1,501.06
(b) Right-of-use assets	6	486.86	153.04
(c) Capital work-in-progress	5a	3,407.87	215.43
(d) Goodwill	5b	166.94	166.94
(e) Other intangible assets	5b	8.96	7.73
(f) Financial assets			
(i) Investments	7	0.00	0.00
(ii) Loans	8	7.32	4.78
(iii) Other financial assets	9	25.69	5.59
(g) Deferred tax assets (net)	38	199.60	1.20
(h) Other tax assets (net)	10	-	7.27
(i) Other non-current assets	11	191.95	556.43
Total non-current assets		**7,411.27**	**2,619.47**
(2) Current assets			
(a) Inventories	12	1,440.16	1,173.16
(b) Financial assets			
(i) Trade receivables	13	2,884.88	2,652.18
(ii) Cash and cash equivalents	14	117.28	35.25
(iii) Bank balances other than (ii) above	15	750.20	153.50
(iv) Loans	16	4.39	10.11
(v) Other financial assets	17	76.30	71.94
(c) Other current assets	18	524.33	328.53
Total current assets		**5,797.54**	**4,424.67**
Total assets		**13,208.81**	**7,044.14**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	19	572.25	480.00
(b) Other equity	20	7,736.69	2,285.06
Total equity		**8,308.94**	**2,765.06**
Liabilities			
(2) Non- current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	2,081.98	1,341.77
(ii) Lease liabilities	6	23.22	13.84
(iii) Other financial liabilities	22	-	78.94
(b) Provisions	23	91.44	28.97
(c) Deferred tax liabilities (net)	38	48.42	39.21
(d) Other non-current liabilities	24	-	0.85
Total non-current liabilities		**2,245.06**	**1,503.58**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	336.09	1,010.15
(ii) Lease liabilities	6	9.75	3.96
(iii) Trade payables	25		
- total outstanding dues of micro and small enterprises		13.60	5.73
- total outstanding dues of creditors other than micro and small enterprises		1,782.95	1,579.10
(iv) Other financial liabilities	26	295.75	114.63
(b) Other current liabilities	27	176.66	56.10
(c) Provisions	23	30.55	5.83
(d) Current tax liabilities (net)	28	9.46	-
Total current liabilities		**2,654.81**	**2,775.50**
Total liabilities		**4,899.87**	**4,279.08**
Total equity and liabilities		**13,208.81**	**7,044.14**

Material accounting policies 3

Notes to the Consolidated Financial Statements 5-51

The accompanying notes form an integral part of the Consolidated financial statements.

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

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Place: Panchkula
Date: 29 May 2024

Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

	Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
I	Revenue from operations	29	10,813.05	9,263.80
II	Other income	30	124.89	91.98
III	**Total income (I + II)**		**10,937.94**	**9,355.78**
IV	**Expenses**			
	Cost of materials consumed	31	6,961.21	6,466.06
	Purchase of stock-in-trade	32	355.44	447.91
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	(33.21)	1.65
	Employee benefits expense	34	906.61	547.97
	Finance costs	35	214.56	199.73
	Depreciation and amortization expense	36	159.57	110.77
	Other expenses	37	1,078.47	663.74
	Total expenses (IV)		**9,642.65**	**8,437.83**
V	**Profit before tax (III-IV)**		**1,295.29**	**917.95**
VI	**Tax expense:**			
(i)	Current tax	38	293.30	218.60
(ii)	Deferred tax charge		58.54	19.81
	Total tax expense (VI)		**351.84**	**238.41**
VII	**Profit for the year (V-VI)**		**943.45**	**679.54**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit obligation		19.75	(0.72)
	Income tax relating to items that will not be reclassified to profit or loss		(0.86)	0.18
	Other comprehensive income/(loss) for the year (net of tax)		**18.89**	**(0.54)**
IX	**Total comprehensive income for the year (VII+VIII)**		**962.34**	**679.00**
	Earnings per equity share			
	Basic and diluted [nominal value of ₹ 10 per share]	41	18.66	14.16

Material accounting policies 3

Notes to the Consolidated Financial Statements 5-51

The accompanying notes form an integral part of the Consolidated Financial Statements.

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

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Place: Panchkula
Date: 29 May 2024

Consolidated Statement of Cash flow

for the year ended 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A	**Cash flows from operating activities**		
	Profit before tax for the year	**1,295.29**	**917.95**
	Adjustments for:		
	Depreciation and amortization expense	159.57	110.77
	Expected credit loss on trade receivables	14.20	1.19
	Bad debts written off	5.45	4.36
	Net profit on sale of property, plant and equipment	(0.33)	(2.86)
	Unrealized foreign exchange (gain)	(6.60)	(6.54)
	Unrealized profit on Inventory	4.96	0.40
	Amortization of government grant	(0.43)	(21.52)
	Finance costs	214.56	199.73
	Transaction costs related to borrowings	0.93	(1.36)
	Provision for obsolete inventory	17.79	1.88
	Loss / (gain) on fair valuation of cumulative compulsorily convertible preference shares	19.36	(19.76)
	Loan to employee written off	5.10	-
	Liability written back	(27.98)	-
	Interest income	(35.02)	(7.11)
	Operating cash flows before working capital changes	**1,666.85**	**1,177.13**
	Working capital adjustments		
	Decrease in inventories	15.40	108.42
	Decrease in trade receivables	44.90	(524.33)
	Increase in trade payables	62.62	136.69
	Decrease/(increase) in loans	1.92	(9.73)
	Decrease/(increase) in other financial assets	14.19	(24.79)
	Decrease / (increase) in other non-current assets	5.98	(0.27)
	Decrease/(increase) in other current assets	31.87	(19.12)
	Increase / (decrease) in other current liabilities	26.81	(0.84)
	(Decrease)/ increase in other financial liabilities	(140.11)	15.44
	Increase in provisions	9.54	7.93
	Cash generated from operating activities	**1,739.97**	**866.53**
	Income tax paid (net)	(276.57)	(195.29)
	Net cash generated from operating activities (A)	**1,463.40**	**671.24**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets	(2,873.53)	(789.91)
	Proceeds from sale of property, plant and equipment	1.08	7.39
	Interest income received	25.28	4.71
	Payments made for acquisition of subsidiary *	(1,648.14)	-
	Bank deposits made	(494.40)	(153.11)
	Proceeds from redemption of bank deposits	-	22.49
	Net cash (used in) investing activities (B)	**(4,989.71)**	**(908.43)**
C	**Cash flows from financing activities**		
	Principal Payment of lease liabilities	(9.41)	(7.21)
	Finance cost paid [5]	(149.42)	(123.55)
	Repayments of non-current borrowings	(161.32)	(350.56)
	Proceeds from non-current borrowings	1,688.27	495.13
	Repayment of current borrowings (net)	(990.87)	(242.89)
	Proceeds from issue of shares	3,231.09	-
	Proceeds from issue of cumulative compulsorily convertible preference shares	-	500.00
	Net cash generated from financing activities (C)	**3,608.34**	**270.92**
	Net increase in cash and cash equivalents (A+B+C)	**82.03**	**33.73**
	- on acquisition of subsidiary *	-	-
	Cash and cash equivalents at the beginning of the year	35.25	1.52
	Cash and cash equivalents at the end of the year	**117.28**	**35.25**

* refer note 47.

Consolidated Statement of Cash flow
for the year ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

Notes:

1. **For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash on hand	0.51	0.38
Balances with banks - in current accounts	116.77	34.87
Cash and cash equivalents at the end of the year	**117.28**	**35.25**

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

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings at the beginning of the year	2,351.92	1,981.79
Proceeds from non-current borrowings	1,688.27	495.13
Repayments of non-current borrowings	(161.32)	(350.56)
Repayments of current borrowings (net)	(990.87)	(241.53)
Transaction costs related to borrowings	(1.88)	(1.36)
Proceeds from issue of cumulative compulsorily convertible preference shares	-	500.00
Transfer of derivative component of cumulative compulsorily convertible preference shares	-	(98.70)
Interest expenses on cumulative compulsorily convertible preference shares	-	67.15
Cumulative compulsorily convertible preference shares converted	(468.45)	-
Borrowings at the end of the year	**2,417.67**	**2,351.92**

4 **Reconciliation of movements to cash flows arising from leases activities during the year :**

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at beginning of the year	17.80	9.86
Additions	20.98	13.29
Additions on acquisition of subsidiary (Refer note 47)	3.61	-
Accreditation of interest	2.71	1.86
Payment of lease liabilities	(12.12)	(7.21)
Balance as at end of the year	**32.98**	**17.80**

5 Interest paid includes the interest portion of the lease liabilities

Material accounting policies 3
Notes to the Consolidated Financial Statements 5-51
The accompanying notes form an integral part of the Consolidated financial statements.

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: 29 May 2024

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

A Equity share capital (refer note 19)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the reporting year	48,000,000	480.00	1,200,000	120.00
Sub-division of 1 share of face value ₹ 100/- each into 10 share of face value ₹ 10/- each effective 04 April 2023 (Increase in shares on account of sub-division)	-	-	10,800,000	-
Add:- Bonus share issued during the year	-	-	36,000,000	360.00
Add:- Fresh issue of equity shares	9,224,929	92.25	-	-
Balance at the end of the reporting year	**57,224,929**	**572.25**	**48,000,000**	**480.00**

B Other equity (refer note 20)

Particulars	Reserves and surplus			Total
	Capital reserve	Retained earnings	Security premium	
Balance as at 01 April 2023	**0.44**	**2,284.62**		**2,285.06**
Addition during the year				-
Total comprehensive income for the year				
Add : Profit for the year	-	943.45	-	943.45
Add : Other comprehensive income (net of tax) for the year	-	18.89	-	18.89
Total comprehensive income for the year	-	**962.34**	-	**962.34**
Change in ownership interests				
Acquisition of subsidiary (refer note 47)	711.95	-	-	711.95
Total changes in ownership interests	**711.95**	-	-	**711.95**
Transactions with owners of the Company				
Contributions and distributions				
Add : Fresh Issue of equity shares				
-CCPS converted	-	-	618.64	**618.64**
-Issued to 360 One special opportunities fund Series 9	-	-	146.65	**146.65**
-Issued to 360 One special opportunities fund Series 10	-	-	146.65	**146.65**
-Public Issue made on 29 December 2023	-	-	3,128.57	**3,128.57**
Less: Shares issue expenses	-	-	(263.17)	**(263.17)**
Balance as at 31 March 2024	**712.39**	**3,246.96**	**3,777.34**	**7,736.69**
Balance as at 01 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 income (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**

Material accounting policies 3

Notes to the Consolidated Financial Statements 5-51

The accompanying notes form an integral part of the Consolidated Financial Statements.

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: 29 May 2024

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Notes to the Consolidated Financial Statements

for the period ended 31 March 2024

(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 1. REPORTING ENTITY

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 03 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". Further, w.e.f 16 October 2023 Company has changed its registered office to 601, Proxima, Plot No 19, Sector 30A Vashi Navi Mumbai, Thane, Maharashtra, India, 400705.

The consolidated financial statements comprise the 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. BASIS OF PREPARATION

(i) Statements of compliance

The "consolidated financial statements" of the Group comprise of Consolidated Balance sheet of the Group as at 31 March 2024 and 31 March 2023, the Consolidated Statements of Profit and Loss, the Consolidated Statements of Cash Flows and the Consolidated Statements of Changes in Equity for each of the year ended 31 March 2024 and 31 March 2023 together with notes (together referred as "consolidated financial statements").

The consolidated financial Statements 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 consolidated financial statements have been prepared on a going concern basis. The accounting policies adopted are consistent with those of the previous financial year and corresponding reporting year, except for the estimation of income tax (see note 3(o)). A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

The Group also adopted Disclosure of Accounting Policies (Amendments to Ind AS 1 – Presentation of Financial Statements) from 01 April 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 3 Material accounting policies (previous financial year ended 31 March 2023: Significant accounting policies) in certain instances in line with the amendments.

These consolidated financial statements were approved for issue by the Company's Board of Directors on 29 May 2024.

(ii) Basis of measurement

The consolidated financial statements 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

(iii) Functional and presentation currency

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

(iv) Current vs non-current classification

The Group presents assets and liabilities in the Consolidated Balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.

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- Held primarily for the purpose of trading.
- Expected to be realized 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 realization in cash and cash equivalents. The group has identified twelve months as its operating cycle.

(v) *Use of estimates and judgments*

In preparation of the consolidated financial statements, 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 consolidated financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

Judgements

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

- Note 3(h) and 29 – revenue recognition: whether revenue is recognized over time or at a point in time, determining the transaction price, estimating the expected value of right to return
- Note 3(d) and 6 – 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(vi) – Fair value measurement (including fair value of consideration transferred on business combination and fair value of the assets acquired and liabilities assumed)
- Note 3(h) and 29 - Revenue recognition-Estimating the expected value of right to return.
- Note 3(c) and 5a – Assessment of useful life and residual value of property, plant and equipment
- Note 3(d) and 6 – Lease Classification, discount rate
- Note 3(e) and 5b – Assessment of useful life of intangible assets
- Note 3(f) – Valuation of inventories
- Note 3(g) – Impairment of financial assets; impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 3(l) and 43 – Measurement of defined benefit obligations: key actuarial assumptions
- Note 3(o) and 38 – 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 3(p), 3(q), and 46 – Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.

(vi) 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 categorized 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 categorized 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 recognizes 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 consolidated financial statements is included in the Note 44.

NOTE 3. MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these standalone financial statements, except if mentioned otherwise.

In addition, the Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1 – Presentation of Financial Statements) from 01 April 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in Note 3 in certain instances.

Set out below are the material accounting policies:

a) Principles of consolidation

The consolidated financial statements comprises the financial Statements 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.

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.

The consolidated financial statements 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 consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial Statements in preparing the consolidated financial statements 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 2024	As at 31 March 2023
Univentis Medicare Limited [#]	India	100%	100%
Sharon Bio Medicine Limited[##]	India	100%	-
Univentis Foundation [###]	India	100%	100%

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

[##] The Group has invested in Sharon Bio Medicine Limited on 30 June 2023

[###] Incorporated on 14 June 2021

Consolidation procedure

The consolidated financial 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 consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial Statements in preparing the consolidated financial 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.

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 the 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 unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized 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 favorable or unfavorable when compared with market terms, then the right-of-use asset is adjusted by the fair value of the off-market terms. The Group recognizes 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 Consolidated Statements 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 Consolidated Statements 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 consolidated financial statements 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 derecognizes 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 Consolidated Statements 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 Consolidated Statements of Profit and Loss. A trade receivable without a significant financing component is initially measured at the transaction price.

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

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

Financial asset at amortized cost

A financial asset is measured at amortized 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 Consolidated Statements 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 Consolidated Statements of Profit and Loss.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Subsequent measurement and gains and losses

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.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized 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.
Debt investment at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investment at FVOCI	These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or 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:

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- 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 realizing 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 amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized 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 Consolidated Balance sheet) 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 recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred

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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 amortized 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 Consolidated Statements of Profit and Loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised Consolidated Statements of Profit and Loss. Any gain or loss on derecognition is also recognised in Consolidated Statements of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognized 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 Consolidated Statements of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated Balance sheet 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 realize 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 Group 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 Group 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 Group's revenue recognition policies.

The Group 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 labor, 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)

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up to the date of commencement of commercial production are capitalized. 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 reporting date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

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

Transition to Ind AS

The cost of property, plant and equipment as at 01 April 2019, the Group date of transitions to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

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 derecognized when replaced. All other repairs and maintenance are charged to Consolidated Statements 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 Consolidated Statements 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 reporting date 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).

Derecognition

An item of PPE is derecognized 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 Consolidated Statements 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 recognizes 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 Consolidated Statements 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 recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Consolidated Statements 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 recognizes any remaining amount of the re-measurement in Consolidated Statements 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 amortized 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 Statements of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize 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 recognizes the lease payments associated with these leases as an expense in the Statements of Profit or Loss over the lease term.

e) Intangible assets

Goodwill arising on business combinations is disclosed separately in the Consolidated Balance sheet 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 Balance sheet date, are

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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 amortization and any accumulated impairment loss.

Subsequent expenditure

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

Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in depreciation and amortization in Statement of profit and loss.

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

Derecognition

Intangible assets is derecognized 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 realizable 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 realizable 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 realizable 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 realizable 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 realizable value is made on an item-by-item basis.

g) Impairment

Impairment of financial assets

The Group recognizes loss allowances for expected credit loss on financial assets measured at amortized cost and contract assets. At each reporting date, the Group assesses whether financial assets carried at amortized 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, debtor 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-organization; 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 and other financial assets 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.

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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.

<u>Measurement of expected credit losses</u>

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.

<u>Presentation of allowance for expected credit losses</u>

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

<u>Write-off</u>

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, contract assets 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.

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(Amount in ₹ million, except for share data unless otherwise stated)

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: Recognize 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.

Invoices are usually payable within a range of 45 to 90 days.

Use of significant judgments in revenue recognition:

a) 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 price concessions and incentives. 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.

b) 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.

c) 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. In case where performance obligation is satisfied at a point in time, revenue is recognized when significant risk and rewards of ownership of goods is transferred to the customers, generally ex-factory. In case where performance obligation is satisfied over a period of time, revenue is recognized on the basis of actual cost incurred plus mark up as agreed with the customers under each agreement.

d) Right of return - Group provides a customer with a right to return. The Group, as a customary trade practice, accepts sales returns which are primarily in the nature of saleable inventory based on levels of inventory in the distribution channel. 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.

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i) 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.

j) 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 amortized 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 amortized 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 amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

k) Government grant

The Group recognizes 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 Consolidated Statements of Profit and Loss as other income on a systematic basis.

Grants that compensate the Group for expenses incurred are recognised in Consolidated Statements 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 Statements of profit and loss. Export entitlements from government authorities are recognised in the Statements 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 Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

l) 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:

Defined contribution plans

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 Consolidated Statements of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

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.

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Other long-term employee benefits

Compensated absences

As per the Group's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized 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. The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

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.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. They are included in other equity in the Consolidated Statements of Changes in Equity and in the Consolidated Balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Consolidated Statements 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.

m) 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 Consolidated Statements of Profit and Loss in the year in which they are incurred.

n) 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 restatements/settlement of all monetary items are recognised in the Consolidated Statements of profit and loss.

o) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Consolidated Statements of Profit and Loss, except to the extent that it relates to a business combination. The Group does not have any items recognized directly in equity or in other comprehensive income.

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The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period 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 realize 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 realized 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.

The Group has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to Ind AS 12) from 01 April 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognize the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases and decommissioning liabilities by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of Ind AS 12. There was also no impact on the opening retained earnings as at 01 April 2022 as a result of the change. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognised (refer note 38).

p) 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.

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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. The reimbursement is treated as a separate asset.

q) Contingent liabilities and contingent assets

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

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 realization 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.

r) 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.

s) 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 Statements 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.

t) Cash and cash equivalents

For the purpose of presentation in the Consolidated Statements 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.

u) Consolidated Statements 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.

v) 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 period. 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.

w) Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Group is charged to the Statement of the Profit and Loss.

x) 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 cumulative compulsorily convertible preference shares ("CCCPS") are classified as financial liabilities, because the instrument holders, in terms of the underlying agreement, had exit rights including requiring the Group 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, CCCPS have been considered a "hybrid" financial liability.

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NOTE 4. RECENT ACCOUNTING PRONOUNCEMENTS

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. During the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standard applicable to the Group that has not been applied.

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NOTE 5a. PROPERTY, PLANT AND EQUIPMENT

Gross carrying amount

Particulars	Freehold land	Building	Plant and equipment	Lab equipment	Electrical equipment and installation	Vehicles	Furniture and fixtures	Office equipment	Computer and printer	Total	Capital work-in-progress
Balance as at 01 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**
Balance as at 01 April 2023	169.57	572.27	817.84	59.55	85.23	39.55	56.30	5.80	13.09	1,819.20	215.43
Additions	-	4.90	81.34	5.92	6.06	38.33	2.56	3.01	1.86	143.98	3,335.38
Acquisition of subsidiary [Refer note 47]	225.79	769.82	285.69	89.00	19.44	2.59	9.11	6.90	6.64	1,414.98	1.04
Disposals	-	-	(0.49)	-	-	(1.21)	-	-	-	(1.70)	(143.98)#
Balance as at 31 March 2024	**395.36**	**1,346.99**	**1,184.38**	**154.47**	**110.73**	**79.26**	**67.97**	**15.71**	**21.59**	**3,376.46**	**3,407.87**
Accumulated depreciation											
Balance as at 01 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**	**-**
Balance as at 01 April 2023	-	72.08	175.77	7.43	24.14	9.11	18.59	3.96	7.06	318.14	-
Depreciation for the year	-	38.62	56.90	14.46	16.94	4.61	5.93	1.31	4.42	143.19	-
Disposals	-	-	(0.34)	-	-	(0.61)	-	-	-	(0.95)	-
Balance as at 31 March 2024	**-**	**110.70**	**232.33**	**21.89**	**41.08**	**13.11**	**24.52**	**5.27**	**11.48**	**460.38**	**-**
Carrying amounts (net)											
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**
As at 31 March 2024	**395.36**	**1,236.29**	**952.05**	**132.58**	**69.65**	**66.15**	**43.45**	**10.44**	**10.11**	**2,916.08**	**3,407.87**

Represents capital work in progress capitalised during the respective years.

Notes:

a. Refer note 21 for information on property, plant and equipment pledged as security by the Holding and subsidiary Company.

b. Refer note 46(ii) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

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NOTE 5a. PROPERTY, PLANT AND EQUIPMENT (Contd.)

c. 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 2024	As at 31 March 2023
Employee benefits expense	24.19	14.96
Finance costs (Interest expense on financial liabilities measured at amortized cost - on borrowings) #	137.34	28.83
Other expenses	32.20	0.74
Total	**193.73**	**44.53**

Capitalization of borrowing costs relates to funds borrowed both specifically and generally to acquire/construct qualifying assets. The capitalization relating to general borrowings was ₹ 37.98 at 7.85% per annum for the year ended 31 March 2024 (31 March 2023 ₹ 18.94 at 8.11%).

d. 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 2024**	2,678.18	717.76	-	-	**3,395.94**
Projects temporarily suspended as at 31 March 2024*	-	-	11.93	-	**11.93**
Projects in progress as at 31 March 2023	203.50	11.93	-	-	**215.43**

* During the year ended 31 March 2024, capitalization of ₹ 11.93 pertaining to a machine is overdue on account of technical reasons and is expected to be capitalised on 30 June 2024.

** Total revised cost of Jammu project as approved by board of directors in its meeting held on 29 March 2024 is ₹ 4,593.72 which includes cost escalation of ₹ 336.80 and cost of new manufacturing line of ₹ 705.20 leading to a total change of ₹ 1,042.00 in the original project cost of ₹ 3,551.72, as approved by board of directors in its meeting held on 19 June 2022. Also, the plant is now expected to be capitalized between July-September 2024.

NOTE 5b - GOODWILL AND OTHER INTANGIBLE ASSETS

Gross carrying amount

Particulars	Goodwill (Refer note (b) below)	Other intangible assets - Computer software
Balance as at 01 April 2022	**166.94**	**11.29**
Additions - acquired	-	4.80
Balance as at 31 March 2023	**166.94**	**16.09**
Balance as at 01 April 2023	**166.94**	**16.09**
Additions - acquired	-	1.35
Acquisition of subsidiary (Refer note 47)	-	1.83
Balance as at 31 March 2024	**166.94**	**19.27**
Accumulated amortization		
Balance as at 01 April 2022	-	**6.76**
Additions	-	1.60
Balance as at 31 March 2023	-	**8.36**
Balance as at 01 April 2023	-	8.36
Additions	-	1.95
Balance as at 31 March 2024	-	**10.31**
Carrying amounts (net)		
As at 31 March 2023	**166.94**	**7.73**
As at 31 March 2024	**166.94**	**8.96**

a. As at 31 March 2024, the estimated remaining amortization year for other intangible assets are as follows:
Computer Software 0.50 - 4.60 years (31 March 2023 0.50 - 4.00 years)

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for the period ended 31 March 2024 (Contd.)
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NOTE 5b - GOODWILL AND OTHER INTANGIBLE ASSETS (Contd.)

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 ₹ 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 ₹ 579.68 (31 March 2023 ₹: 477.46) 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 2023: 5.00%) representing management view on the future long-term growth rate.

iii. Post-tax discount rate of 15.09% (31 March 2023: 14.58%) 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 20.72% (31 March 2023: 19.48%).

iv. Budgeted earning before interest,tax,depreciation and amortization ("EBITDA") growth rate (average of next five years) of 15.00 % (31 March 2023: 15.00 %) was applied in management forecast, which represents a conservative revenue to EBIDTA ratio of 12% (average of next five years) (31 March 2023: 12%) 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 6. 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 year of 3 - 75 years. The leases for office premises typically run for a year 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 2024	As at 31 March 2023
Balance as at beginning of the year	8.24	5.76
Additions	33.79	6.70
Additions on acquisition of subsidiary (Refer note 47)	1.62	-
Depreciation for the year	(9.49)	(4.22)
Balance as at end of the year (A)	**34.16**	**8.24**

Right-of-use assets - land	As at 31 March 2024	As at 31 March 2023
Balance as at beginning of the year	144.80	87.52
Additions	23.72	61.15
Additions on acquisition of subsidiary (Refer note 47)	289.10	-
Depreciation for the year	(4.92)	(3.87)
Balance as at end of the year (B)	**452.70**	**144.80**
Right-of-use assets (C=(A)+(B))	**486.86**	**153.04**

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

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for the period ended 31 March 2024 (Contd.)
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NOTE 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Contd.)

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 the balance sheet	As at 31 March 2024	As at 31 March 2023
Current	9.75	3.96
Non-current	23.22	13.84
Total	**32.97**	**17.80**
Balance as at beginning of the year	17.80	9.86
Additions	20.98	13.29
Additions on acquisition of subsidiary (Refer note 47)	3.61	-
Accreditation of interest	2.71	1.86
Payment of lease liabilities	(12.12)	(7.21)
Balance as at end of the year	**32.98**	**17.80**

d. As at year end date, the Group is not exposed to future cashflows 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 2024	As at 31 March 2023
Less than one year	11.11	5.56
After one year but not longer than three years	25.45	7.14
More than three years	41.92	41.92
Total	**78.48**	**54.62**

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 2024	For the year ended 31 March 2023
Expenses relating to short-term leases	3.63	1.14
Interest on lease liabilities	2.72	1.86
Depreciation expense	14.40	8.09
Total	**20.75**	**11.09**

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Expenses relating to short-term leases	3.63	1.14
Payment of lease liabilities	12.12	7.21
Total cash outflow for leases (including short term leases)	**15.75**	**8.35**

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 2023 8.94% - 11.36%)

Notes to the Consolidated Financial Statements
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NOTE 7. INVESTMENTS

	As at 31 March 2024	As at 31 March 2023
Non-current investments		
Investments in equity shares		
Unquoted equity shares (at cost)		
- Shivalik Solid Waste Management Limited	0.00^	0.00^
250 equity shares (31 March 2023: 250) of ₹ 10 each fully paid-up (31 March 2023: ₹ 10)		
	0.00^	**0.00^**
Aggregate book value of unquoted investments	0.00^	0.00^

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

NOTE 8. LOANS- NON CURRENT

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Loan to employees	7.32	4.78
	7.32	**4.78**

NOTE 9.OTHER NON-CURRENT FINANCIAL ASSET

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Security deposit	24.48	5.40
Balance with banks-deposits accounts with original maturity more than 12 months #	1.21	0.19
	25.69	**5.59**

These deposits include restricted bank deposits ₹ 1.20 (31 March 2023: ₹ 0.16) pledged as margin money.

NOTE 10. OTHER TAX ASSETS (NET)

	As at 31 March 2024	As at 31 March 2023
Advance income tax and tax deducted at source [net of provision for income tax of ₹ Nil] [31 March 2023: ₹ 439.25]	-	7.27
	-	**7.27**

NOTE 11. OTHER NON-CURRENT ASSETS

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Capital advances	188.19	554.00
Prepaid expenses*	3.76	2.43
	191.95	**556.43**

* Prepaid expenses includes CSR asset of ₹ 1.77 (31 March 2023: ₹ Nil) as excess spent on CSR activities and it can be carry forward upto immediately succeeding three financial years as per General Circular No. 14 /2021.

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 12. INVENTORIES

	As at 31 March 2024	As at 31 March 2023
(At lower of cost and net realizable value)		
Raw materials #*	683.86	575.21
Stores and spares	12.69	1.24
Work-in-progress*	238.67	180.61
Finished goods #*	88.00	32.44
Stock-in-trade #*	246.79	202.98
Packing material #*	170.15	180.68
	1,440.16	**1,173.16**
Notes:		
# Includes goods-in-transit		
- Raw material	28.29	66.68
- Finished goods	28.68	19.68
- Stock-in-trade	12.37	2.53
- Packing material	-	0.91
* Include provision for obsolete inventory		
- Raw Materials	3.90	-
- Finished goods	6.06	-
- Work-in- progress	10.57	-
- Stock-in-trade	1.63	-
- Packing material	7.20	4.45

NOTE 13. TRADE RECEIVABLES

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Trade receivables	2,910.92	2,652.11
Trade receivables from related party (refer note 39)	15.20	14.81
Less: expected credit loss allowance	(41.24)	(14.74)
	2,884.88	**2,652.18**
Break-up:		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	2,892.37	2,661.17
Trade receivables which have significant increase in credit risk	6.38	5.75
Trade receivables - credit impaired	27.38	-
	2,926.13	**2,666.92**
Less: expected credit loss allowance		
- Trade receivables considered good - secured	-	-
- Trade receivables considered good - unsecured	(7.49)	(8.99)
- Trade receivables which have significant increase in credit risk	(6.38)	(5.75)
- Trade receivables - credit impaired	(27.38)	-
Total trade receivables	**2,884.88**	**2,652.18**

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 13. TRADE RECEIVABLES (Contd.)

	As at 31 March 2024	As at 31 March 2023
Movement in expected credit loss allowance of trade receivables:		
Balance at the beginning of the year	14.74	11.56
Additions during the year	14.25	3.18
Additions on acquisition of subsidiary (refer note 47)	12.25	-
Balance at the end of the year	**41.24**	**14.74**

Trade receivable ageing:

	Unbilled revenue	Not Due	Outstanding for following years from due date					Gross trade receivables	Expected credit loss allowance	Net trade receivables
			< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
As at 31 March 2024										
Undisputed trade receivable - considered good	21.31	1,914.72	887.90	43.50	21.96	0.87	-	**2,890.26**	(5.38)	**2,884.88**
Undisputed trade receivable - considered doubtful	-	3.25	1.90	12.72	7.39	-	2.45	**27.71**	(27.71)	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	**-**	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	2.11	**2.11**	(2.11)	-
Disputed trade receivable - considered doubtful	-	-	-	-	0.43	3.39	1.37	**5.19**	(5.19)	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	0.85	**0.85**	(0.85)	-
Total	**21.31**	**1,917.97**	**889.80**	**56.22**	**29.78**	**4.26**	**6.78**	**2,926.12**	**(41.24)**	**2,884.88**

Notes to the Consolidated Financial Statements
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NOTE 13. TRADE RECEIVABLES (Contd.)

Trade receivable ageing:

	Unbilled	Not Due	Outstanding for following years from due date					Gross trade receivables	Expected credit loss allowance	Net trade receivables
			< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
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**

NOTE 14. CASH AND CASH EQUIVALENTS

	As at 31 March 2024	As at 31 March 2023
Balances with bank:		
- In current accounts	116.77	34.87
Cash on hand	0.51	0.38
	117.28	**35.25**

NOTE 15. BANK BALANCE OTHER THAN ABOVE

	As at 31 March 2024	As at 31 March 2023
Bank deposits with original maturity of more than three months but less than twelve months #	750.20	153.50
	750.20	**153.50**

These deposits include restricted bank deposits ₹ 26.56 (31 March 2023: ₹ 118.50) pledged as margin money.

NOTE 16. LOANS - CURRENT

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Loan to employees	4.39	10.11
	4.39	**10.11**

Notes to the Consolidated Financial Statements
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NOTE 17. OTHER CURRENT FINANCIAL ASSETS

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Interest accrued but not due on fixed deposits	12.40	2.66
Export incentive recoverable	21.67	11.71
Security deposit	40.20	11.21
Recoverable from others	2.03	-
IPO expenses recoverable *	-	46.25
Advance to employees	-	0.11
	76.30	**71.94**

NOTE 18. OTHER CURRENT ASSETS

	As at 31 March 2024	As at 31 March 2023
(unsecured considered good, unless otherwise stated)		
Balances with government authorities	443.38	244.02
Advances to suppliers	25.65	7.78
Advances to employees	2.26	2.86
Right to return goods	18.84	14.84
Prepaid expenses *#	34.20	59.03
	524.33	**328.53**

* In connection with the proposed Initial Public Offer ('IPO') of equity shares of the Holding Company, expenses incurred by the Holding Company towards the proposed IPO of equity shares held by the selling shareholder amounting to ₹ Nil (31 March 2023: ₹ 46.25) was presented as "IPO expenses recoverable" included under "other current financial assets" and recovered from the selling shareholders (as per the offer agreement) during the year ended 31 March 2024 and expenses incurred by the Holding Company in relation to its plan of raising funds from capital market through the proposed IPO amounting to ₹ Nil (31 March 2023: ₹ 39.19) was included in "prepaid expenses" under "other current assets" and adjusted towards the securities premium during the year ended 31 March 2024.

Prepaid expenses includes CSR asset of ₹ 3.08 (31 March 2023: ₹ Nil) as excess spent on CSR activities and it can be carry forward upto immediately succeeding three financial years as per General Circular No. 14 /2021.

NOTE 19. SHARE CAPITAL

	As at 31 March 2024	As at 31 March 2023
Authorized capital		
64,000,000 (31 March 2023: 64,000,000) equity shares of ₹ 10 each (31 March 2023: ₹ 10 each)	640.00	640.00
2,000,000 (31 March 2023: 2,000,000) cumulative compulsorily convertible preference share of ₹ 10 each (31 March 2023: ₹ 10)	20.00	20.00
	660.00	**660.00**
Equity share capital		
Issued, subscribed and paid-up		
57,224,929 (31 March 2023:48,000,000) equity shares of ₹ 10 each (31 March 2023: ₹ 10 each)	572.25	480.00
	572.25	**480.00**

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

Notes to the Consolidated Financial Statements
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NOTE 19. SHARE CAPITAL (Contd.)

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 cumulative compulsorily convertible preference share.

During year ended 31 March 2023, 1,412,430 cumulative compulsorily convertible preference shares ("CCCPS") have been issued as fully paid with a par value of ₹ 354 per share. The CCCPS holders of the Holding Company, in terms of the underlying agreement, have exit rights including requiring the Holding Company to buy back shares held by them where upon the conversion ratio is also not fixed. Each CCCPS 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 CCCPS shall entitle its holder to also participate pari passu in any dividends paid to the holders of common equity shares of the Holding Company ("Equity Shares") on a pro-rata as converted basis.The holders of the CCCPS shall not be entitled to vote on any matter except to the extent permitted under the Companies Act 2013 or other applicable laws. During the year ended 31 March 2024, the Company has allotted 1,412,430 equity shares having face value of ₹ 10 each in the conversion ratio of 1:1 towards Cumulative Compulsorily Convertible Preference Shares ("CCCPS") on 01 December 2023 at a price of ₹ 448 per share.

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

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	48,000,000	480.00	1,200,000	120.00
Sub-division of 1 share of face value 100/- each into 10 share of face value 10/- each effective April 4, 2023 (Increase in shares on account of sub-division)*	-	-	10,800,000	-
Add:- Bonus shares issued during the year	-	-	36,000,000	360.00
Add:- Issue of share capital during the year#	9,224,929	92.25		
Balance at the end of the year	**57,224,929**	**572.25**	**48,000,000**	**480.00**

* 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.

The Company has allotted 1,412,430 equity shares having face value of ₹ 10 each in the conversion ratio of 1:1 towards Cumulative Compulsorily Convertible Preference Shares ("CCCPS") on 01 December 2023 at a price of ₹ 448 per share.

The Company, at its IPO meeting held on 26 December 2023 approved allotment of 7,142,857 Equity Shares of ₹ 10 each pursuant to Initial Public Offering at a securities premium of ₹ 438 per share under Fresh Issue and offer for sale of 5,580,357 Equity Shares at an Offer Price of ₹ 448 per Equity Share, to the respective applicants in various categories, in terms of the basis of allotment approved in consultation with the authorized representative of BSE Limited and NSE. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 29 December 2023. (Refer Note 51)

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

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Manoj Kumar Lohariwala #	16,636,446	29.07	19,036,000	39.66
Vinay Kumar Lohariwala #	12,482,875	21.81	14,436,000	30.08
Gian Parkash Aggarwal	12,391,464	21.65	14,512,000	30.23

Identified as promoters

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NOTE 19. SHARE CAPITAL (Contd.)

e) Bonus shares, shares buyback and issue of shares for consideration other than in cash during five years immediately preceding 31 March 2024.

During the five years immediately preceding 31 March 2024 ('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 2024		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	Ratio	No. of shares	Ratio	No. of shares	Ratio	No. of shares	Ratio	No. of shares	Ratio	No. of shares	Ratio
Bonus issue	-	-	36,000,000	3:1	-	-	-	-	-	-	-	-

f) Promoter Shareholding

Promoter's name	As at 31 March 2024			As at 31 March 2023		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Manoj Kumar Lohariwala	16,636,446	29.07	12.61%	19,036,000	39.66	-
Vinay Kumar Lohariwala	12,482,875	21.81	13.53%	14,436,000	30.08	-

NOTE 20. OTHER EQUITY

		As at 31 March 2024	As at 31 March 2023
A	**Capital reserve**		
	Balance at the beginning of the year	0.44	0.44
	Add: Addition on acquisition of business (also refer note 47)	711.95	-
	Balance at the end of the year	**712.39**	**0.44**
B	**Retained earnings**		
	Balance at the beginning of the year	2,284.62	1,965.62
	Less : Bonus share issued during the year	-	(360.00)
	Add: Profit for the year	943.45	679.54
	Add: Other comprehensive gain / (loss) for the year (remeasurement of defined benefit plans, net of tax)	18.89	(0.54)
	Balance at the end of the year	**3,246.96**	**2,284.62**
C	**Securities premium**		
	Balance at the beginning of the year	-	-
	Add: Issued during the year		
	-CCPS converted	618.64	-
	-Issued to 360 One special opportunities fund Series 9	146.65	-
	-Issued to 360 One special opportunities fund Series 10	146.65	-
	-Public Issue made on 29 December 2023	3,128.57	-
	Less: Share issue expenses	(263.17)	-
	Balance at the end of the year	**3,777.34**	-
	Total (A+B+C)	**7,736.69**	**2,285.06**

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.

c. **Securities premium:** Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders.

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NOTE 21. BORROWINGS

		Notes	As at 31 March 2024	As at 31 March 2023
A.	**Non-current borrowings**			
	Secured:			
	From banks			
	Term loan	(I)	2,179.66	654.19
	Unsecured:			
	From Others			
	Deposits from directors (refer note 39)	(III)	-	249.90
	Cumulative compulsorily convertible preference shares	(V)	-	468.45
	Total non-current borrowings (including current maturities)		**2,179.66**	**1,372.54**
	Less : Current maturities of non-current borrowings		(97.68)	(30.77)
			2,081.98	**1,341.77**
B.	**Current borrowings**			
	Secured			
	From Banks			
	Cash credit ('CC') limit	(I)	230.93	0.84
	Working capital demand loan ('WCDL')	(I)	-	973.69
	Current maturities of non current borrowings		97.68	30.77
	Unsecured			
	From Banks			
	Credit card	(I)	7.48	4.85
			336.09	**1,010.15**

(I) Notes:

Bank Name	Nature of facility *	Rate of interest % (per annum)	Repayment terms	Security (Note II)	Non-current	Current	Non-current	Current
					As at 31 March 2024		As at 31 March 2023	
State Bank of India	Cash Credit Limit (₹)	6 Month MCLR + 0.10%	-	Equitable mortgage (first charge) on (b), (c) and (d), First pari passu charge on (i) along with (j)	-	213.20	-	
	WCDL (₹)	91 day T bill linked	-		-	-	-	500.00
	Cash Credit Limit (₹)	EBLR + 2.00%	-	Equitable mortgage (first charge) on (d), (n) (o) and along with (j).	-	-	-	0.35
	Term Loan (₹)*	3 Month + MCLR	96 monthly instalments starting from October 2024 after an initial moratorium of 16 months	Equitable mortgage (First charge) on (e),(b),(c),(d) along with (a) and (j)	682.71	-	-	-
Yes Bank Limited	WCDL (₹)	Overnight MIBOR + 1.28%	-	First pari passu charge on (i), (b), (c) and (d) along with (j).	-	-	-	300.00
	CC limit (₹)	Spread of 0.05% + 1 Month MCLR			-	7.72	-	-

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 21. BORROWINGS (Contd.)

Bank Name	Nature of facility *	Rate of interest % (per annum)	Repayment terms	Security (Note II)	Non-current	Current	Non-current	Current
					As at 31 March 2024		As at 31 March 2023	
HDFC Bank	Term Loan (₹) *	3 M T bill + 1.63%	32 quarterly instalments from December 2024 after initial moratorium of 24 months on repayment of principle (till September 2024) with monthly interest payment from 01 December 2022	First pari passu charge on (b), (c) ,(h) and (i) along with (a) and (j).	1,496.95	-	492.87	-
	Credit Card (₹)	-	-	-	-	7.48	-	4.85
	WCDL (₹)	7.72%	-	(g), (j) and (l)	-	-	-	113.69
	Cash Credit Limit (₹)	3M T Bill + 1.69% spread (31 March 2023: M T Bill + 1.56% spread)		(g) ,(l) and (q)	-	10.01	-	0.05
The Hongkong and Shanghai Banking Corporation Limited ("HSBC Ltd")	Term Loan (₹) *	TBLR + 3.23%	84 monthly instalments from December 2021 after initial moratorium year of 6 months (till November 2021)	First pari passu charge on (b), (c), (h) and (i), along with (a) and (j)	-	-	110.57	-
	Term Loan (₹)*	TBLR + 3.23%	78 monthly instalments from March 2023 till August 2028		-	-	50.75	-
	WCDL (₹)	1 M T-bill + 1.34%	-	First pari passu charge on (b), (c) and (l) along with (j).	-	-	-	60.00
	Cash Credit Limit (₹)	Overnight MCLR + 0.05%	-	First pari passu charge on (b), (c) and (l) along with (a) and(j).	-	-	-	0.44
					2,179.66	**238.41**	**654.19**	**979.38**

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

Note II: 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 ₹ 750 each

(k) 30% share pledge of the Holding Company held by the promoters which has been released in year ended 31 March 2023

(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

(q) 100% corporate guarantee from Holding company, Vinay kumar Lohariwala and Manoj Kumar Lohariwala.

Note III: Deposit from directors

The Holding 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. The terms of repayment were amended in year ending on 31 March 2021 on the basis addendum to the loan agreement ("addendum") dated 31 March 2022 and as per the addendum, deposits are repayable on 31 March 2027. Further deposits from directors include total loan of ₹ 102.50 (31 March 2023: ₹ 102.50) from Gian Parkash Aggarwal who ceased to be a director with effect from 01 April 2022.

Note IV: Closure of Charges

The Company is in process of closure of charges related to the loan repaid as at year ended on 31 March 2024.

Note V: Cumulative compulsorily convertible preference shares

The Holding Company had issued 1,412,430 cumulative compulsorily convertible preference share ('CCCPS') at face value of ₹ 10 and at premium of ₹ 344 per CCCPS, during the year ended on 31 March 2023. The CCCPS holders of the Holding Company, in terms of the underlying agreement, have exit rights that include requiring the Holding 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 CCCPS into equity shares, where the fixed condition is not met, therefore, CCCPS 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 and a separable derivative component amounting to ₹ 98.70, on the initial date of recognition as both the ratio and timing of conversion was uncertain. As per the requirements of IND AS 109, the derivative component has been re-measured at fair value of ₹: Nil (31 March 2023 ₹: 78.94) on reporting date and the change in fair value of ₹ 19.36 has been recognized as a loss in the Statement of Profit and Loss for the year ended 31 March 2024 (31 March 2023: Gain of ₹ 19.76).

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 21. BORROWINGS (Contd.)

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		Amount as per books of account	Yes Bank Limited, HDFC Bank Limited, HSBC Limited*		Statement subsequently rectified
			Amount as reported	Amount of difference		Amount as reported	Amount of difference	
30 June 2022	Inventory	1,052.23	1,021.93	30.30	1,052.23	1,021.93	30.30	No
	Trade Receivable	1,764.77	1,722.96	41.81	1,764.77	1,722.96	41.81	No
	Trade Payable	1,563.33	1,575.96	(12.63)	1,563.33	1,575.96	(12.63)	No
30 September 2022	Inventory	888.58	888.60	(0.02)	888.58	888.60	(0.02)	No
	Trade Receivable	2,355.57	2,355.60	(0.03)	2,355.57	2,355.60	(0.03)	No
	Trade Payable	1,225.34	1,223.50	1.84	1,225.34	1,223.50	1.84	No
31 December 2022	Inventory	1,038.84	1,062.40	(23.56)	1,038.84	1,062.40	(23.56)	No
	Trade Receivable	2,359.69	2,359.20	0.49	2,359.69	2,359.20	0.49	No
	Trade Payable	1,545.72	1,571.50	(25.78)	1,545.72	1,571.50	(25.78)	No
31 March 2023	Inventory	972.72	985.38	(12.66)	972.72	985.38	(12.66)	No
	Trade Receivable	2,296.76	2,307.08	(10.32)	2,296.76	2,307.08	(10.32)	No
	Trade Payable	1,480.84	1,480.85	(0.01)	1,480.84	1,480.85	(0.01)	No
30 June 2023	Inventory	898.87	921.08	(22.21)	898.87	921.08	(22.21)	No
	Trade Receivable	2,544.89	2,497.30	47.59	2,544.89	2,497.30	47.59	No
	Trade Payable	1,687.12	1,641.31	45.81	1,687.12	1,641.31	45.81	No
30 September 2023	Inventory	914.94	914.94	-	914.94	914.94	-	No
	Trade Receivable	2,310.05	2,310.05	-	2,310.05	2,310.05	-	No
	Trade Payable	1,676.27	1,676.27	-	1,676.27	1,676.27	-	No
31 December 2023	Inventory	854.17	854.17	-	854.17	854.17	-	No
	Trade Receivable	2,659.71	2,659.71	-	2,659.71	2,659.71	-	No
	Trade Payable	2,110.70	2,086.32	24.38	2,110.70	2,086.32	24.38	No
31 March 2024	Inventory	939.90	940.98	(1.08)	939.90	940.98	(1.08)	No
	Trade Receivable	2,173.88	2,173.54	0.34	2,173.88	2,173.54	0.34	No
	Trade Payable	1,535.12	1,519.06	16.06	1,535.12	1,519.06	16.06	No

* Stock statement from September, 2023 onwards have not been submitted to HSBC Limited, since the Company is not utilising DP limit.

Univentis Medicare Limited

Quarter end date	Particulars	HDFC Bank Limited			statement subsequently rectified
		Amount as per books of account	Amount as reported	Amount of difference	
30 June 2022	Inventory	272.28	272.28	-	No
	Trade Receivable	519.53	519.53	-	No
	Trade Payable	164.16	164.16	-	No
30 September 2022	Inventory	238.12	238.12	-	No
	Trade Receivable	644.70	644.70	-	No
	Trade Payable	213.26	213.26	-	No
31 December 2022	Inventory	248.67	248.67	-	No
	Trade Receivable	653.93	653.93	-	No
	Trade Payable	430.43	430.43	-	No
31 March 2023	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
30 June 2023	Inventory	270.27	270.16	0.11	Yes
	Trade Receivable	662.59	662.47	0.12	Yes
	Trade Payable	564.68	558.44	6.24	Yes
30 September 2023	Inventory	257.91	257.36	0.55	Yes
	Trade Receivable	716.61	719.47	(2.86)	Yes
	Trade Payable	416.81	410.84	5.97	Yes
31 December 2023	Inventory	264.68	260.06	4.62	Yes
	Trade Receivable	789.25	788.19	1.06	Yes
	Trade Payable	492.90	486.69	6.21	Yes
31 March 2024	Inventory	269.74	269.74	-	No
	Trade Receivable	724.92	724.92	-	No
	Trade Payable	390.84	390.75	0.09	No

As informed to us, the Holding Company submits drawing power (DP) statements within 20 days from end of the respective quarters and subsidiary company submits wihtin 15 days from the end of respective quarters, in which DP limit is computed as per the terms and conditions of the sanction letter. The quarterly returns/statement submitted to banks were prepared before incorporating the impact of certain book closure adjustments pertaining to goods in transit, advances from customers and advances to vendors w.r.t. inventory, trade receivables and trade payables respectively. Further, the actual utilization of working capital remained within the bank sanction/DP limits for the year ended 31 March 2024 and 31 March 2023.

D. Further, in the year ended 31 March 2024 and 31 March 2023 the actual utilization of working capital remained within the bank sanction limits.

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 21. BORROWINGS (Contd.)

E. Undrawn borrowing

Innova Captab Limited

Bank	Nature of facility	Denomination of currency of facility	Sanctioned amounting ₹ (FY '24)	Sanctioned amounting ₹ (FY '23)	As at 31 March 2024 Total drawn amount as at 31 March 2024	As at 31 March 2024 Total undrawn amount as at 31 March 2024	As at 31 March 2023 Total drawn amount as at 31 March 2023	As at 31 March 2023 Total undrawn amount as at 31 March 2023
YES Bank Limited	Cash credit	₹	400.00	750.00	7.72	392.28	300.00	450.00
SBI Bank	Cash credit	₹	650.00	850.00	213.20	436.80	500.35	349.65
HDFC Bank Limited	Cash credit	₹	200.00	200.00	-	200.00	118.53	81.47
HSBC Limited	Cash credit	₹	-	100.00	-	-	60.44	39.56
SBI Bank	Term Loan	₹	800.00	-	682.71	117.29	-	-
HSBC Limited	Term Loan	₹	-	200.00	-	-	200.00	-
HDFC Bank Limited	Term Loan	₹	1,500.00	2,300.00	1,496.95	3.05	495.13	1,804.87

Univentis Medicare Limited

Bank	Nature of facility	Denomination of currency of facility	Sanctioned amount in ₹	As at 31 March 2024 Total drawn amount as at 31 March 2024	As at 31 March 2024 Total undrawn amount as at 31 March 2024	As at 31 March 2023 Total drawn amount as at 31 March 2023	As at 31 March 2023 Total undrawn amount as at 31 March 2023
HDFC Bank Limited	Cash credit	₹	300.00	10.01	289.99	0.05	299.95

NOTE 22. OTHER NON-CURRENT FINANCIAL LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Derivative		
- Component of cumulative compulsorily convertible preference shares*	-	78.94
	-	**78.94**

* Refer note 21(V).

NOTE 23. PROVISIONS

	As at 31 March 2024	As at 31 March 2023
A. Non-current		
Provision for employee benefits:		
Provision for compensated absences	13.86	6.13
Provision for gratuity (refer note 43)	77.58	22.84
	91.44	**28.97**
B. Current		
Provision for employee benefits:		
Provision for compensated absences	6.57	1.63
Provision for gratuity (refer note 43)	23.98	4.20
	30.55	**5.83**

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 24. OTHER NON CURRENT LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Deferred government grant	-	0.85
	-	**0.85**

NOTE 25. TRADE PAYABLES

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro and small enterprises	13.60	5.73
Total outstanding dues of creditors other than micro and small enterprises #	1,782.95	1,579.10
	1,796.55	**1,584.83**

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 40 for the disclosure in respect of amounts payable to such enterprises as at year end that has been made in the Consolidated Financial statement based on information available with the Group.

\# Includes due to related parties (refer note 39)

Trade payables ageing schedule:

As at 31 March 2024	Unbilled	Not due	Outstanding for following years from due date of payment				Total
			< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	
Outstanding dues of micro and small enterprises	-	12.09	1.53	-	-	-	**13.62**
Outstanding dues of creditors other than micro and small enterprises	165.80	1,388.59	217.60	0.07	-	0.05	**1,772.11**
Disputed dues of micro and small enterprises	-	-	-	-	-	-	**-**
Disputed dues of creditors other than micro and small enterprises	-	-	7.55	2.56	-	0.71	**10.82**
Total	**165.80**	**1,400.68**	**226.68**	**2.63**	**-**	**0.76**	**1,796.55**

As at 31 March 2023	Unbilled	Not due	Outstanding for following years from due date of payment				Total
			< 1 year	1 year to 2 years	2 year to 3 years	> 3 years	
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**

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 26. OTHER CURRENT FINANCIAL LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	10.23	12.06
Employee related payables	95.82	62.45
Capital creditors		
- Total outstanding dues of micro and small enterprises*	-	-
- Total outstanding dues of other than micro and small enterprises	139.32	5.77
Security deposit	46.50	34.35
Payable to selling shareholders (refer note 51)	3.88	-
	295.75	**114.63**

* Refer note 40 for disclosures required under MSMED Act.

NOTE 27. OTHER CURRENT LIABILITIES

	As at 31 March 2024	As at 31 March 2023
Contract liabilities	131.00	24.67
Statutory dues	19.85	11.37
Refund liability	25.39	20.06
Deferred government grant	0.42	-
	176.66	**56.10**

NOTE 28. CURRENT TAX LIABILITIES (NET)

	As at 31 March 2024	As at 31 March 2023
Provision for income tax [net of advance tax of ₹ 284.95] [net of advance tax 31 March 2023 : Nil]	9.46	-
	9.46	**-**

NOTE 29. REVENUE FROM OPERATIONS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of finished goods	9,850.24	8,298.32
Sale of traded goods	788.91	912.07
Sale of services	130.44	43.59
Other operating revenues		
- Export incentives	39.19	6.95
- Scrap sales	4.27	2.87
	10,813.05	**9,263.80**

Notes:

		For the year ended 31 March 2024	For the year ended 31 March 2023
a.	**Reconciliation of revenue recognized (excluding other operating revenues) with the contract price is as follows:**		
	Contract price	10,818.51	9,410.96
	Adjustments for discounts and rebates	(23.53)	(136.92)
	Refund liability	(25.39)	(20.06)
	Revenue recognized	**10,769.59**	**9,253.98**
b.	**Contract Balances**		
	Contract liabilities, which are included in 'other current liabilities' *	**131.00**	**24.67**
	* Considering the nature of business of the Group, the above unbilled revenue generally materializes as revenue within the same operating cycle.		
c.	**Revenue from sale of goods and services disaggregated by primary geographical market**		
	India	8,323.13	8,447.35
	Outside India	2,446.46	806.63
	Total revenue from contracts with customers	**10,769.59**	**9,253.98**
d.	**Timing of Revenue recognition**		
	Product transferred at point in time	9,292.87	5,399.55
	Product and services transferred over time	1,476.72	3,854.43
	Revenue from contract with customers	**10,769.59**	**9,253.98**

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 30. OTHER INCOME

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on financial assets measured at amortized cost		
- on bank deposits	35.02	7.11
- on loan to subsidiary	2.26	-
Amortisation of government grant	0.43	21.52
Net profit on sale of property, plant and equipment	0.33	2.86
Gain on fair valuation of compulsorily convertible preference shares	-	19.76
Gain on foreign exchange fluctuation (net)	42.12	32.28
Liability written back	27.98	-
Insurance claim received	11.55	-
Miscellaneous income	5.20	8.45
	124.89	**91.98**

NOTE 31. COST OF MATERIALS CONSUMED

	For the year ended 31 March 2024	For the year ended 31 March 2023
Raw material	5,471.22	5,076.64
Packing material	1,489.99	1,389.42
	6,961.21	**6,466.06**

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

	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year*	757.13	852.06
Add: Purchases	6,893.84	6,371.13
Add: Inventory on acquisition of business [refer note 47]	176.94	-
Less: Inventory at the end of the year*	866.70	757.13
	6,961.21	**6,466.06**

* Includes goods-in-transit and provision for obselete inventory.

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 32. PURCHASE OF STOCK-IN-TRADE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchase of stock in trade	355.44	447.91
	355.44	**447.91**

NOTE 33. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance		
- Finished goods	32.44	82.64
- Work-in-progress	180.61	117.94
- Stock-in-trade	202.98	233.79
- Right to return goods	14.84	8.26
Add: Inventory on acquisition of subsidiary (refer note 47)		
- Finished goods	56.44	-
- Work-in-progress	71.79	-
Less: Utilised as CSR expenditure		
- Stock-in-trade	0.01	10.11
Less: Closing balance		
- Finished goods	88.00	32.44
- Work-in-progress	238.67	180.61
- Stock-in-trade	246.79	202.98
- Right to return goods	18.84	14.84
	(33.21)	**1.65**

NOTE 34. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	836.53	503.05
Contribution to provident and other funds (refer note 43)	50.53	32.36
Staff welfare expenses	19.55	12.56
	906.61	**547.97**

NOTE 35. FINANCE COSTS

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities measured at amortized cost :		
- on borrowings (other than cumulative compulsorily convertible preference shares)	139.96	97.82
- on cumulative compulsorily convertible preference shares	66.02	67.15
- on lease liabilities	2.72	1.86
Interest to others*	3.27	22.53
Other borrowing cost	2.59	10.37
	214.56	**199.73**

* Includes interest on shortfall of income tax of ₹ 1.11 [31 March 2023: ₹ 0.12].

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 36. DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (refer note 5a)	143.22	101.08
Amortization of other intangible assets (refer note 5b)	1.95	1.60
Depreciation on right-of-use assets (refer note 6)	14.40	8.09
	159.57	**110.77**

NOTE 37. OTHER EXPENSES

	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	203.90	95.14
Stores and spares consumed	72.55	42.92
Sub contracting charges	84.88	22.49
Packing charges	78.31	70.60
Lab consumables	64.25	29.80
Repairs and maintenance		
- Plant and machinery	45.63	26.00
- Building	6.30	3.08
- Others	13.24	8.67
Commission on sales	99.78	93.88
Sales promotion expense	15.34	9.10
Freight charges	41.60	39.45
Rates, fees and taxes	45.92	49.95
Legal and professional fee (refer note (a) and (b) below)	40.56	17.12
CSR expenditure (refer note (c) below)	20.78	14.35
Travelling and conveyance	89.79	66.04
House keeping expense	26.05	18.76
Security expenses	15.17	9.56
Printing and stationery	10.99	6.69
Rent	3.63	1.14
Expected credit loss on trade receivables	14.20	1.19
Bad debts written off	5.45	4.36
Insurance	15.89	10.81
Director sitting fees	-	2.02
Loss on fair valuation of cumulative compulsorily convertible preference shares	19.36	-
Loan to employee written off	5.10	-
Miscellaneous expenses	39.80	20.62
	1,078.47	**663.74**

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NOTE 37. OTHER EXPENSES (Contd.)

		For the year ended 31 March 2024	For the year ended 31 March 2023
(a)	**Includes payment to auditors (excluding goods and services tax)**		
	As auditor:		
	- Statutory audit	9.23	4.00
	- Reimbursement of expenses	0.50	0.20
	Total	**9.73**	**4.20**
(b)	**Excludes payment to auditors (excluding goods and services tax) in relation to proposed IPO***		
	- Fees	39.48	13.55
	- Reimbursement of expenses	1.97	0.13
		41.45	**13.68**

* In connection with the proposed Initial Public Offer ('IPO') of equity shares of the Holding Company, expenses incurred by the Holding Company towards the proposed IPO of equity shares held by the selling shareholder amounting to ₹ Nil (Include auditor expenses) (31 March 2023: ₹ 46.25) was presented as "IPO expenses recoverable" included under "other current financial assets" and recovered from the selling shareholders (as per the offer agreement) during the year ended 31 March 2024 and expenses incurred by the Holding Company in relation to raising funds from capital market through the IPO amounting to ₹ Nil (Include auditor expenses) (31 March 2023: ₹ 39.19) was included in "prepaid expenses" under "other current assets" and adjusted towards the securities premium during the year ended 31 March 2024.

		For the year ended 31 March 2024	For the year ended 31 March 2023
(c)	**Details of CSR expenditure:**		
	(i) Amount required to be spent by the Group during the year:	20.85	14.24
	(ii) Amount approved by the baord to be spent during the year :	20.85	14.24
	(iii) Amount of expenditure incurred on:		
	- Construction/acquisition of any asset:	-	-
	- On purposes other than above:*	19.89	22.37
	(iv) Shortfall at the end of the year:	NA	NA
	(v) Total of previous years shortfall:		
	(vi) Reason for shortfall:		
	(vii) 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.	
	(viii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	5.57	6.97
	(ix) CSR expenditure amounting to ₹ 5.57 has been incurred by Univentis foundation through various implementing agencies.		

*Prepaid expenses includes CSR asset of ₹ 3.08 (31 March 2023: ₹ Nil) as excess spent on CSR activities and it can be carry forward upto immediately succeeding three financial years as per General Circular No. 14 /2021 and also includes amount of ₹ 1.77 in Non current current prepaid expense (31 March 2023: Nil)

Notes to the Consolidated Financial Statements
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NOTE 38. TAX EXPENSE

		For the year ended 31 March 2024	For the year ended 31 March 2023
a.	**Amount recognized in Statement of Profit and Loss (including other comprehensive income):**		
	Current tax:		
	- Current year	293.40	223.02
	-Changes in estimates related to prior year	(0.10)	(4.42)
	Deferred tax:		
	- Attributable to origination and reversal of temporary differences	59.40	19.63
	Total tax expense recognized	**352.70**	**238.23**
b.	**Reconciliation of effective tax rate**		
	Profit before tax	**1,295.29**	**917.95**
	Tax at India's statutory tax rate of 25.17%	326.02	231.05
	Incremental allowance under income tax act	(3.04)	(7.31)
	Tax effect of non-deductible expenses	28.96	19.09
	Changes in estimates related to prior year	(0.10)	(4.42)
	Income tax expense recognized in the statement of profit and loss	**351.84**	**238.41**
c.	**Income tax expense recognized in other comprehensive income**		
	Tax credit / (expense) arising on income and expenses recognized in other comprehensive income		
	Remeasurement of defined benefit obligation	(0.86)	0.18
	Total income tax recognized in other comprehensive income	**(0.86)**	**0.18**
	Bifurcation of the income tax recognized in other comprehensive income into:-		
	Items that will not be reclassified to profit or loss	(0.86)	0.18
		(0.86)	**0.18**

		As at 31 March 2024	As at 31 March 2023
d.	**Deferred tax balances reflected in the Balance Sheet:**		
	Deferred tax asset	199.60	1.20
	Deferred tax liability	48.42	39.21
	Deferred tax assets / (liability) (net)	**151.18**	**(38.01)**

e. Movement in deferred tax balances

	As at 01 April 2023	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Acquisition of subsidiary#	As at 31 March 2024
Deferred tax liability					
Excess depreciation as per Income tax Act, 1961 over books	58.80	(36.05)	-	53.98	76.74
Revaluation of Assets	-	-	-	-	-
Unbilled revenue	0.68	0.08	-	-	0.76
Right of use asset	2.04	(1.12)	-	-	0.92
Deferred tax liability (A)	**61.52**	**(37.08)**	**-**	**53.98**	**78.42**

Notes to the Consolidated Financial Statements
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	As at 01 April 2023	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Acquisition of subsidiary#	As at 31 March 2024
Deferred tax asset					
Excess depreciation as per Books over Income tax Act 1961	-	(64.28)	-	64.28	-
Expenses allowable on payment basis	12.51	1.60	(0.86)	27.57	40.82
Expected credit loss allowance on trade receivables	3.76	6.63	-	-	10.39
Lease liabilities	1.14	(1.87)	-	-	(0.73)
Deferred income on grants	0.22	(0.11)	-	-	0.11
Unrealised profit on stock	4.75	1.25	-	-	6.00
Books losses & Unabsorbed Depreciation*	-	(44.83)	-	210.73	165.90
Provision for obsolete inventory	1.13	5.98	-	-	7.11
Deferred tax asset (B)	**23.51**	**(95.63)**	**(0.86)**	**302.58**	**229.60**
Deferred tax (liability) / assets (net) (B-A)	**(38.01)**	**(58.55)**	**(0.86)**	**248.60**	**151.18**

* Year wise breakup of book losses and unabsorbed depreciation

Assessment year	Business loss assessment year	year ended 31 March 2024
2016-17	Unabsorbed Depreciation	182.61
2017-18	Unabsorbed Depreciation	247.60
2018-19	Unabsorbed Depreciation	228.96
	Total	**659.17**

Refer note 47.

	As at 01 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
Right of use assets	1.44	0.61			2.04
Deferred tax liability (A)	**39.26**	**22.27**	**-**	**-**	**61.52**
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	1.66	(0.52)	-	-	1.14
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)	**20.89**	**2.44**	**0.18**	**-**	**23.51**
Deferred tax liability (net) (A-B)	**(18.37)**	**(19.81)**	**0.18**	**-**	**(38.01)**

Notes to the Consolidated Financial Statements
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NOTE 39. RELATED PARTIES

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

Description of Relationship	Name of the Party
Key management personnel ('KMP')	Mr. Manoj Kumar Lohariwala (Chairman & Whole Time Director)
	Mr. Vinay Kumar Lohariwala (Managing Director)
	Mr. Jayant Vasudeo Rao (Whole Time Director)
	Mr. Archit Aggarwal (Non-executive Director - w.e.f 01 April 2022)
	Ms. Priyanka Sibal (Independent Director- w.e.f 01 April 2022)
	Mr. Sudhir Kumar Bassi (Independent Director- w.e.f 01 April 2022)
	Mr. Shirish Gundopant Belapure (Independent Director- w.e.f 01 April 2022)
	Mr. Mahendar Korthiwada (Independent Director- w.e.f 01 April 2022)
	Ms. Chhavi Lohariwala (Non-executive Director) (till 01 April 2022)
	Mr. Gian Parkash Aggarwal (Non-executive Director) (till 01 April 2022)
	Mr. Pradosh Kumar (Non Executive Independent Director) (till 01 April 2022)
	Mr. Anup Agarwal (Non Executive Independent Director) (till 01 April 2022)
	Mr. Purushottam Sharma (Executive Director)
	Mr. Rishi Gupta (Chief Financial officer) (w.e.f 01 April 2022) (till 26 April 2023)
	Ms. Neeharika Shukla (Company Secretary) (w.e.f 09 May 2022)
	Ms. Priyanka Jangid (Company Secretary w.e.f. 01 November 2022)
	Mr. Mukesh Kumar Siyaram Singh (Key managerial personnel) (w.e.f from 30 June 2023)
	Mr.Rajveer Singh (Company Secretary)(till 01 April 2022)
	Ms. Shikha Kanwar (Company Secretary) (till 24th January 2022)
	Mr. Gaurav Srivastva (Chief Financial officer) (w.e.f 11 August 2023 to 29 March 2024)
	Mr. Lokesh Bhasin (Chief Financial officer) (w.e.f 23 May 2023 to 11 August 2023) and (w.e.f 30 March 2024)
	Ms. Rakhi Makhloga (Company Secretary w.e.f 23 January 2023)
Entities in which KMP and/or their relatives have significant influence	Azine Healthcare Private Limited
	Pharmatech Healthcare
	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 2024	For the year ended 31 March 2023
1	**Revenue from operations (net of returns)**		
	Azine Healthcare Private Limited	4.82	5.29
	Pharmatech Healthcare	13.50	14.25
	Nugenic Pharma Private Limited	-	0.05
2	**Purchase of packing material**		
	Shubh Packaging	105.20	112.22
	Azine Healthcare Private Limited	0.64	0.34
	Nugenic Pharma Private Limited	593.33	562.08

Notes to the Consolidated Financial Statements
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NOTE 39. RELATED PARTIES (Contd.)

	Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
3	**Purchase of store and spares**		
	Nugenic Pharma Private Limited	3.84	6.23
	Shubh Packaging	0.10	0.13
4	**Packing charges**		
	Shubh Packaging	-	0.13
5	**Loans repaid during the year**		
	Manoj Kumar Lohariwala	84.00	41.07
	Vinay Kumar Lohariwala	102.50	99.71
	Gian Parkash Aggarwal	63.40	100.00
6	**Finance costs**		
	Manoj Kumar Lohariwala	1.47	8.02
	Vinay Kumar Lohariwala	1.11	5.65
	Gian Parkash Aggarwal	1.79	7.97
7	**Loans given to employees**		
	Mukesh Kumar	1.20	-
	Rishi Gupta	-	5.00
8	**Loans repaid by employees**		
	Mukesh Kumar	0.55	0.14
9	**Loan written off**		
	Rishi Gupta	5.00	-
10	**Sitting fees**		
	Priyanka Dixit Sibal	0.81	0.43
	Sudhir Kumar Bassi	1.37	0.84
	Shirish G Belapure	1.10	0.47
	Mahendar Korthiwada	1.17	0.28
11	**Financial Cost #**		
	Manoj Kumar Lohariwala	4.09	0.60
	Vinay Kumar Lohariwala	3.09	0.60
	Gian Parkash Aggarwal	4.77	0.30
12	**Employee benefits expenses ***		
	Vinay Kumar Lohariwala	6.20	4.80
	Manoj Kumar Lohariwala	6.20	4.80
	Jayant Vasudeo Rao	1.61	1.47
	Rishi Gupta	0.61	8.81
	Neeharika Shukla	0.66	0.54
	Priyanka Jangid	0.43	0.16
	Purushottam Sharma	0.47	0.45
	Lokesh Bhasin	0.93	-
	Mukesh Kumar	1.57	-
	Ms. Rakhi Makhloga	0.74	-

Notes to the Consolidated Financial Statements
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NOTE 39. RELATED PARTIES (Contd.)

* Break-up of compensation of key managerial personnel of the Group	For the year ended 31 March 2024	For the year ended 31 March 2023
Short-term employee benefits	19.41	21.03
Post-employment benefits	0.31	2.09
Total compensation paid to key management personnel	**19.72**	**23.12**

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

Refer note 21 for details of personal guarantee provided by Vinay Kumar Lohariwala, Manoj Kumar Lohariwala and Gian Parkash Aggarwal for the borrowing facilities availed by the Company.

C. Balances outstanding at year end

	Nature of balances	As at 31 March 2024	As at 31 March 2023
1	**Non- current borrowings**		
	Gian Prakash Aggarwal	-	102.50
	Manoj Kumar Lohariwala	-	84.00
	Vinay Kumar Lohariwala	-	63.40
2	**Trade payables**		
	Nugenic Pharma Private Limited	152.11	85.04
	Shubh Packaging	13.19	2.73
	Azine Healthcare private Limited	0.15	0.09
3	**Trade receivables**		
	Pharmatech Healthcare	12.17	10.50
	Azine Healthcare private Limited	3.03	4.31
4	**Interest accrued but not due on borrowings**		
	Manoj Kumar Lohariwala	-	1.48
	Vinay Kumar Lohariwala	-	0.79
	Gian Parkash Aggarwal	-	1.77
5	**Loan outstanding to employees**		
	Rishi Gupta	-	5.00
	Mukesh Kumar	1.10	-
6	**Employee related payables**		
	Manoj Kumar Lohariwala	0.42	0.30
	Vinay Kumar Lohariwala	0.42	0.30
	Jayant Vasudeo Rao	0.12	0.11
	Mukesh Kumar	0.05	-
	Rishi Gupta	-	0.56
	Neeharika Shukla	0.03	0.05
	Purushottam Sharma	0.04	0.04
	Lokesh Bhasin	0.01	-
	Priyanka Jangid	0.04	0.03

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 and settlement occurs in cash.

Refer Note 17 and 18 for IPO expenses recoverable.

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NOTE 40. 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 Consolidated Financial Information based on information available with the Group as under:

Particulars		As at 31 March 2024	As at 31 March 2023
(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	13.62	5.73
	- Interest due thereon remaining unpaid to any supplier	-	0.00 ^
(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 year 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);	0.12	0.04
(iv)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	0.11	5.06
(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.	5.19	5.08

^ The total value of interest in absolute value was ₹ 350.00 but for reporting rounded upto ₹ 0.00 million.

NOTE 41. EARNINGS PER SHARE

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for basic/diluted earning per share of face value of ₹ 10 each		
Profit for the year	943.45	679.54
Calculation of Weighted average number of equity shares for (basic and diluted)	50,563,901	48,000,000
Basic and diluted earnings per share (face value of ₹ 10 each)	**18.66**	**14.16**

NOTE 42. 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 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 2024	For the year ended 31 March 2023
Revenue from drugs and pharmaceutical products	10,769.59	9,253.98
Total	**10,769.59**	**9,253.98**

Notes to the Consolidated Financial Statements
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NOTE 42. SEGMENT INFORMATION (Contd.)

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:

Revenue from customers*	For the year ended 31 March 2024	For the year ended 31 March 2023
India	8,323.13	8,447.35
Outside India	2,446.46	806.63
	10,769.59	**9,253.98**

Trade receivables	As at 31 March 2024	As at 31 March 2023
India	2,311.28	2,443.85
Outside India	573.60	208.33
	2,884.88	**2,652.18**

* Revenue from customers has been presented based on the geographical location of customers.

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 2024, one of the customer of the Group constituted more than 10% of the total revenue of Group amounting to ₹ 971.71 (31 March 2023, none of the customer of the Group constituted more than 10% of the total revenue of Group).

NOTE 43. 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 2024	For the year ended 31 March 2023
Provident fund	37.64	27.44
ESI contribution	5.46	4.93
	43.10	**32.37**

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 year 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

Notes to the Consolidated Financial Statements
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NOTE 43. EMPLOYEE BENEFITS (Contd.)

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:

i. Reconciliation of present value of defined benefit obligation

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	27.12	20.09
On account of business combination during the year	83.29	-
Interest cost	5.67	1.45
Current service cost	8.91	5.58
Past service cost	-	-
Benefits paid	(6.20)	(0.72)
Actuarial (gain)/ loss recognized in other comprehensive income		
- from changes in financial assumptions	(10.28)	(2.73)
- from changes in demographic assumptions	(11.86)	2.23
- from experience adjustments	5.28	1.22
Balance at the end of the year	**101.93**	**27.12**

ii. Amount recognized in statement of profit and loss

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest cost	5.67	1.45
Current service cost	8.91	5.58
	14.58	**7.03**

iii. Remeasurements recognized in other comprehensive income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gain)/loss for the year on defined benefit obligation	(16.86)	0.72
	(16.86)	**0.72**

Notes to the Consolidated Financial Statements
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NOTE 43. EMPLOYEE BENEFITS (Contd.)

iv. Actuarial assumptions

(i) Economic assumptions

The principal assumptions are the discount rale 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 2024	As at 31 March 2023
Discount rate (per annum)	7.09% - 7.39%	7.39%
Future salary growth rate (per annum)	3.00%	3.00%
Expected average remaining working lives (years)	25.08-26.51	26.06-27.54

(ii) Demographic assumptions

	As at 31 March 2024	As at 31 March 2023
Retirement age (years)	58-61	58
Mortality rate	100% (IALM) (2012-14)	100% (IALM) (2012-14)
Attrition rate (per annum)		
Upto 30 years	47.15%-55.23%	4.17%-50%
From 31 to 44 years	20.22%-48.52%	20%-51%
Above 44 years	3.43%-46.67%	10.43%-44%

	As at 31 March 2024	As at 31 March 2023
Increase		
Discount rate (0.5% movement)	(2.00)	(0.60)
Future salary growth rate (0.5% movement)	1.97	0.65
Decrease		
Discount rate (0.5% movement)	2.09	0.63
Future salary growth rate (0.5% movement)	(1.90)	(0.63)

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 year) 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 year.

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

	As at 31 March 2024	As at 31 March 2023
Within 1 year (next annual reporting year)	18.62	4.20
Between 1 to 6 years	47.28	13.18
Beyond 6 years	36.02	9.73
Total expected payments	**101.92**	**27.11**

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

	As at 31 March 2024	As at 31 March 2023
Weighted average duration of the defined benefit plan (in years)	1.39 - 6.52	1.50-6.45
Expected employers contribution for next year	7.30	8.73

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NOTE 44. 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 2024			As at 31 March 2023		
		Carrying value	Amortized Cost	Fair value through OCI	Carrying value	Amortized Cost	Fair value through OCI
Financial assets							
Investments	a	0.00	0.00	-	0.00	0.00	-
Loans	b,c	11.71	11.71	-	14.89	14.89	-
Trade receivables	c	2,884.88	2,884.88	-	2,652.18	2,652.18	-
Cash and cash equivalents	c	117.28	117.28	-	35.25	35.25	-
Bank balances other than above	c	750.20	750.20	-	153.50	153.50	-
Other financial assets	b,c	101.99	101.99	-	77.53	77.53	-
		3,866.06	**3,866.06**	**-**	**2,933.35**	**2,933.35**	**-**
Financial liabilities							
Borrowings	b,c	2,418.07	2,407.85	-	2,351.92	2,351.92	-
Lease liabilities	b,c	32.97	32.97	-	17.80	17.80	-
Trade payables	c	1,796.55	1,796.55	-	1,584.83	1,584.83	-
Other financial liabilities	c	295.75	295.75	-	114.63	114.63	-
		4,543.34	**4,533.12**	-	**4,069.18**	**4,069.18**	-

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

	Level	Note	As at 31 March 2024		As at 31 March 2023	
			Carrying value	FVTPL	Carrying value	FVTPL
Financial liabilities						
Other financial liabilities	3	d	-	-	78.94	78.94
			-	-	**78.94**	**78.94**

Notes:

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

b. The fair value of non-current assets and non-current liabilities (except lease liabilities) are valued based upon discounted cash flow valuation method. The valuation model considers the present value of expected payments, discounted using risk adjusted discount rate. The own non-performance risk was assessed to be insignificant.

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 Black scholes model with terminal growth of 5% and weighted average cost of capital at 13.7%. (level-3). Refer below details for valuation technique and unobservable inputs for the assets or liabilities.

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NOTE 44. FINANCIAL INSTRUMENT : FAIR VALUE MEASUREMENTS (Contd.)

As at 31 March 2023

Particulars	Valuation technique	Significant unobservable input	Sensitivities analysis
Derivative component of cumulative compulsorily convertible preference share	Black scholes model	Growth rate-5%	Year on year growth rate - Increase / (decrease) in growth rate by 1% would result in increase/ (decrease) in CCCPS liability by ₹ 22.46 / (15.84)
		Cost of equity-13%	Cost of equity - increase/(decrease) in cost of equity by 1% would result in (decrease)/ increase in CCCPS liability by ₹ (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	Derivative component of cumulative compulsorily convertible preference shares
Balance at 01 April 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**
Balance at 01 April 2023	78.94
Loss included in Statement of Profit and Loss	
– Net change in fair value	19.36
Utilised at the time of conversion of CCCPS into equity shares	(98.30)
Balance at 31 March 2024	**-**

There are no transfers between level 1, level 2 and level 3 during the years presented.

NOTE 45(a). FINANCIAL RISK MANAGEMENT

Risk management framework

The Group is exposed to market risk, credit risk and liquidity risk. The Holding Company's Board of director oversees the management of these risks. The Holding Company'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 summarized below.

(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:

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NOTE 45(a). FINANCIAL RISK MANAGEMENT (Contd.)

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 2024	As at 31 March 2023
Floating rate borrowings	2,413.94	1,522.65
Fixed rate borrowings	7.48	832.04
Total borrowings (gross of transaction cost)	**2,421.42**	**2,354.69**

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 2024				
Interest rate (0.5% movement)	1.03	(1.03)	0.77	(0.77)
year ended 31 March 2023				
Interest rate (0.5% movement)	0.82	(0.82)	0.62	(0.62)

(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 2024		As at 31 March 2023	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivable	USD	4.40	365.46	2.83	233.32
	EUR	0.19	16.12	0.05	4.65
	GBP	0.88	87.59	-	-
Trade payables	USD	1.05	86.22	0.77	64.50
	EUR	0.17	15.37	0.00	0.40

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 ₹ 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 ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant foreign currency, 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 2024				
USD 5% movement	22.58	(22.58)	22.33	(22.33)
EURO 5% movement	1.57	(1.57)	1.32	(1.32)
GBP 5% movement	4.38	(4.38)	4.13	(4.13)
As at 31 March 2023				
USD 5% movement	12.88	(12.88)	9.64	(9.64)
EURO 5% movement	0.25	(0.25)	0.19	(0.19)

(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 2024	As at 31 March 2023
Within India	2,311.28	2,443.85
Outside India	573.60	208.33
Total	**2,884.88**	**2,652.18**

The carrying amount of the Group's most significant customer is ₹ 170.15 (31 March 2023: Nil)

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables :

As at 31 March 2024	Gross carrying amount	Loss allowance	Weighted average loss rate	Whether credit-impaired
Not due	1,939.28	(3.62)	(0.19%)	No
Less than 90 days	825.38	(2.15)	(0.26%)	No
90-180 days	23.17	(1.23)	(5.32%)	No
More than 180 days	97.05	(34.24)	(35.28%)	No
Total	**2,884.88**	**(41.24)**		

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NOTE 45(a). FINANCIAL RISK MANAGEMENT (Contd.)

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)**		

(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.

(d) Financial guarantee

The Group has assessed the credit risk associated with its financial guarantee contracts for allowance for Expected Credit Loss (ECL) as at the year end. The Group makes use of various reasonable supportive forward-looking parameters which are both qualitative as well as quantitative while determining the change in credit risk and the probability of default. The Group's maximum exposure relating to financial guarantees as on 31 March 2024 is ₹ 300.00 (31 March 2023: ₹ 1000.00). Considering the creditworthiness of entities within the group in respect of which financial guarantees have been given to banks, the management believes that the subsidiaries have a low risk of default and do not have any amounts past due. Accordingly, no allowance for expected credit loss needs to be recognized as at year end.

(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 2024	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings	2,418.07	238.41	98.21	552.38	1,532.43	2,421.43
Other financial liabilities	295.75	-	295.75	-	-	295.75
Trade payables	1,796.55	-	1,796.55	-	-	1,796.55
Lease liabilities	32.97	-	11.11	25.45	41.92	78.48
Total	**4,543.34**	**238.41**	**2,201.62**	**577.83**	**1,574.35**	**4,592.21**

As at 31 March 2023	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings *	1,883.47	-	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	**3,600.73**	**-**	**2,714.72**	**426.30**	**494.27**	**3,635.29**

* The carrying amount of borrowings and other financial liabilities include CCCPS amounting to ₹ 468.45 and derivative component of CCCPS of ₹ 78.94 respectively. As the CCCPS 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 CCCPS has not been given.

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NOTE 45(a). FINANCIAL RISK MANAGEMENT (Contd.)

(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.

NOTE 45(b). 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 2024	As at 31 March 2023
Total liabilities	4,899.87	4,279.08
Less: cash and cash equivalents (Refer note 14)	117.28	35.25
Less: Bank balances other than cash and cash equivalents (Refer note 15)	750.20	153.50
Adjusted net debt	**4,032.39**	**4,090.33**
Equity share capital (Refer note 19)	572.25	480.00
Other equity (Refer note 20)	7,736.69	2,285.06
Total capital	**8,308.94**	**2,765.06**
Total Capital and adjusted net debt	12,341.33	6,855.39
Gearing ratio	**32.67%**	**59.67%**

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 46(i). CONTINGENT LIABILITIES

(a) Claims against the Group not acknowledged as debts (to the extent not provided for)

	As at 31 March 2024	As at 31 March 2023
Income tax matters*	-	0.60
	-	**0.60**

*For assessment year 2017-2018, the Income tax Assessing Officer had raised the demand of ₹ 13.09 vide order dated 15 December 2019. On 19 July 2021, the Assistant Commissioner of Income Tax reduced the demand to ₹ 0.60. The Company is of the view that the demand of ₹ 0.60 has been raised erroneously and accordingly, the Company has filed an application for rectification with the Deputy Commissioner of Income Tax to contest the demand. Subsequently the rectification order has been passed on dated 09 May 2024 nullifying the demand.

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NOTE 46(ii). OTHER COMMITMENTS

(a) Guarantee outstanding

	As at 31 March 2024	As at 31 March 2023
Guarantee outstanding	300.00	1,000.00
	300.00	**1,000.00**

The Holding Company has guaranteed an amount of ₹ Nil (31 March 2023: ₹ 350.00) to HDFC Bank on behalf of its Subsidiary Company for availment of bank guarantee for acquisition of Sharon Bio-Medicine Limited. The Holding Company has also guaranteed an amount of ₹ 300.00 (31 March 2023: 300.00) to HDFC Bank on behalf of its Subsidiary Company in relation to the short term borrowing facilities availed by the Subsidiary Company.

(b) Capital commitment

	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for	685.05	1,584.38
	685.05	**1,584.38**

NOTE 47. BUSINESS COMBINATION

During the year ended 31 March 2024, 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 06 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 04 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 ₹ 1,954.00 (₹ 1,944.00 as loan and ₹ 10.00 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 ₹ 1,450.00 from HDFC bank for purpose of aforesaid infusion into Sharon. The Guarantee for this loan was given by the Holding company.

This being a business purchase has been accounted for in accordance with the Ind AS 103 "Business Combinations" and price allocation as at 30 June 2023 and certain information about fair valuation of acquired assets and liabilities is as follows:

Particulars	Amount
Assets	
Property, plant and equipment	1,414.98
Capital work-in-progress	1.04
Right-of-use assets	290.70
Deferred tax assets (net)	248.59
Other intangible assets	1.83
Inventories	305.15

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NOTE 47. BUSINESS COMBINATION (Contd.)

Particulars	Amount
Trade Receivables	290.65
Bank balances other than above	102.30
Other financial assets	27.89
Other non current assets	7.31
Other current assets	227.67
Total Assets (A)	**2,918.11**
Liabilities	
Lease liabilities	2.01
Provisions	96.54
Trade payable	177.08
Other financial liabilities	189.51
Other current liabilities	92.88
Total Liabilities (B)	**558.02**
Net assets acquired (A-B)	2,360.09
Capital reserve	(711.95)
Total consideration (Net of Cash and cash and equivalents)	**1,648.14**

Revenue from operations and profit before tax for the year ended 31 March 2024 includes ₹ Nil and ₹ Nil respectively pertaining to acquisition of subsidiary 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 2024 would have been higher by ₹ 469.52 and profit before tax for the year higher by ₹ 450.75. 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 01 April 2023.

Following is the other information pertaining to acquisition to Sharon:

During the year ended 31 March 2024, The Subsidiary Company has acquired Sharon Bio Medicine Limited ("Sharon"), an 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 and performs pre-clinical and toxicology research services. The Company has submitted a resolution plan dated 22 August 2022 (as modified on 06 October 2023) ("Resolution Plan") in relation to the CIRP involving Sharon. The Resolution Plan was approved by the committee of creditors on 16 November 2023 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 and as per board resolution passed by the board of directors of Univentis Medicare Limited ("UML") on 20 March 2023, it was decided that acquisition of Sharon would be done through UML. The Resolution Plan was approved by the NCLT pursuant to its order dated 17 May 2023 and in accordance with the terms of the Resolution Plan approved by the NCLT, UML infused ₹ 1,954.00 (₹ 1,944.00 as loan and ₹ 10.00 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 ₹ 1,450.00 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 resolution application did not record the fact of such merger, the merger application was rejected by NCLT vide order dated 16 October 2023.

The erstwhile Resolution Applicant Peter Back Und Peter Vermoegenssverwaltung ("PBP") in lieu of Performance bank Guarantee is forfeited by way of the NCLT Order and accordingly sum of ₹ 10.06 crores appearing as Share application money but pending for allotment, has been transferred to State bank of India by the Abhyudaya Bank.

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NOTE 47. BUSINESS COMBINATION (Contd.)

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 ₹ 23.56 with its written down value ₹ 9.68 and Stock (Finished Goods) worth ₹ 1.10 were destroyed in the fire. The above assets were insured for which company has filed a claim of ₹ 52.30 for property, plant and equipment and ₹ 1.10 for inventory. The reinstatement of Production Line-II has been completed and the Company has started the production activities from 22 March 2024.The Company is expecting the insurance proceeds to be received by end of June 2024.

b) On 09 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 10 March 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 06 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 promoters of Sharon and bears no negative/adverse impact on the Company. The Company had started operations in Toxicology in March 2024.

c) Legal matter regarding the toxicology business- Sharon is yet to file an application for obtaining Good laboratory practice standards ("GLP") certification regarding toxicology business. As informed to us, Sharon has filed the application for re-inspection on 27 March 2024.

NOTE 48. DISCLOSURES PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:

Particulars	As at 31 March 2024	As at 31 March 2023
Investments:		
(i) Investment in equity shares: Shivalik waste management system		
Balance as at the year end ^	0.00	0.00
Maximum amount outstanding at any time during the year ^	0.00	0.00
Guarantee		
(i) Guarantee provided by subsidiary company on behalf of Holding company		
- For acquisition of Sharon Bio Medicine Limited (refer note 47 for details)		
Balance as at the year end	-	350.00
Maximum amount outstanding at any time during the year	350.00	350.00
(ii) Guarantee provided by Holding Company on behalf of Subsidiary Company		
- For acquisition of Sharon Bio Medicine Limited (refer note 47 for details)		
Balance as at the year end	-	350.00
Maximum amount outstanding at any time during the year	350.00	350.00
(iii) 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	300.00
Maximum amount outstanding at any time during the year	300.00	300.00
(iv) Guarantee provided by Company on behalf of Univentis Medicare Limited		
- For availment of borrowing facilities		
Balance as at the year end	-	-
Maximum amount outstanding at any time during the year / year	1,450.00	-

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

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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 CONSOLIDATED FINANCIAL INFORMATION' OF DIVISION II OF SCHEDULE III

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit after tax		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 2024								
Parent								
Innova Captab Limited	87.06%	7,233.84	71.90%	678.28	14.70%	2.77	70.77%	681.05
Subsidiary								
Univentis Medicare Limited	7.72%	641.29	12.44%	117.38	(1.13%)	(0.21)	12.18%	117.17
Univentis Foundation	0.01%	0.74	0.00%	-	0.00%	-	0.00%	-
Sharon Bio-Medicine limited	2.95%	245.12	12.86%	121.29	86.43%	16.33	14.30%	137.61
Elimination	2.26%	187.95	2.81%	26.51	-	-	2.76%	26.51
Total	**100.00%**	**8,308.94**	**100.00%**	**943.45**	**100.00%**	**18.89**	**100.00%**	**962.34**

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit after tax		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	(16.00%)	(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**

NOTE 50. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) 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.

(iii) The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not 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.

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 50. OTHER STATUTORY INFORMATION (Contd.)

(vi) None of the entities in the Group have been declared willful defaulter by any bank or financial institution or government or any government authority except that Sharon Bio-Medicine Limited 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.

(vii) The group has complied with the number of layers prescribed under the Companies Act, 2013.

(viii) The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(ix) The Group including the "Companies in the Group" (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company ("CIC").

(x) During the year ended 31 March 2024, the Holding Company has provided a unsecured loan of ₹ 100.00 on 08 March 2023 to the Univentis Medicare Limited for acquisition of Sharon Bio-medicine Limited. Univentis Medicare Limited has invested ₹ 100.00 for the said purpose in Sharon Bio-medicine Limited on 26 March 2023, subsequent to this Sharon Bio-Medicine Limited became wholly owned subsidiary on 30 June 2023. Apart from this, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Further, the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

(xi) During the year ended 31 March 2024, the Univentis Medicare Limited has received an unsecured loan of ₹ 100.00 on 08 June 2023 from the Holding Company which has been invested by Univentis Medicare Limited in Sharon Bio-medicine Limited on 26 March 2023, subsequent to this Sharon Bio-Medicine Limited became wholly owned subsidiary on 30 March 2023. Apart from this no funds have been received by the group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Further, the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

(xii) The group has used borrowing for the purpose for which they have been obtained.

NOTE 51. 'The Holding Company has completed its IPO of 12,723,214 equity shares of face value ₹ 10 each at an issue price of ₹ 448 per share (including a share premium of ₹ 438 per share) and as a result the equity shares of the Company were listed on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') on 29 December 2023. The issue comprised of a fresh issue of 7,142,857 equity shares aggregating to ₹ 3,200.00 and offer for sale of 5,580,357 equity shares by selling shareholders aggregating to ₹ 2,500.00.

The Holding Company has estimated ₹ 478.39 as IPO related expenses and allocated such expenses between the Holding Company (₹ 272.29 of this amount, ₹ 263.17 has been adjusted to the security premium account) and selling shareholders (₹ 205.60) in proportion to the equity shares allotted to the public as fresh issue by the Holding Company and under offer for sale by selling shareholder respectively. Out of the total IPO proceeds the fund available in monitoring agency account is ₹ 94.93 for remitting funds for pending IPO related expenses.

The Company has received an amount of ₹ 2,931.09 (net of IPO expenses of ₹ 268.91) from proceeds out of fresh issue of equity shares.Out of these proceeds, ₹ 3.88 is payable to selling shareholders on account of IPO expenses incurred on behalf of the Company. The utilisation of the net IPO proceeds is summarised below

The Company has applied for change in CIN from unlisted to listed and the application vide SRN No AA6898984 dated 06 March 2024 is pending with MCA.

Notes to the Consolidated Financial Statements
for the period ended 31 March 2024 (Contd.)
(Amount in ₹ million, except for share data unless otherwise stated)

NOTE 51. (Contd.)

Objectives as per Prospectus	Planned net proceeds as per prospectus	Actual net proceeds	Utilization upto 31 March 2024	Unutilized amount as on 31 March 2024
Repayment and / prepayment, in part or in full, of certain outstanding loans of Company	1,444.00	1,444.00	1,444.00	-
Investment in subsidiary for repayment and / or prepayment in part or full outstanding loan availed by the subsidiary	236.00	236.00	236.00	-
Funding Company working capital requirements*	720.00	720.00	100.00	620.00
General corporate purpose	531.09	531.09	531.09	-
Total Proceeds	**2,931.09**	**2,931.09**	**2,311.09**	**620.00**

*Includes ₹ 3.88 payable to selling shareholders on account of IPO expenses incurred on behalf of the Company.

The Net IPO proceeds which were unutilized as at 31 March 2024, ₹ 620.00 is temporarily invested in fixed deposit.

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: 29 May 2024

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

Lokesh Bhasin
Chief Financial Officer

Neeharika Shukla
Company Secretary
M.No.: A42724

Place: Panchkula
Date: 29 May 2024

Notice

INNOVA CAPTAB LIMITED

Registered Office: 601, Proxima, Plot No 19, Sector 30 A, Vashi Navi Mumbai, Thane, Maharashtra, India, 400705
CIN: L24246MH2005PLC150371 **Phone:** +91 22 2564 2095
Website: **https://www.innovacaptab.com** **mail:** **investors@innovacaptab.com**

NOTICE OF 20TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 20TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INNOVA CAPTAB LIMITED ("THE COMPANY") WILL BE HELD ON WEDNESDAY, 18TH DAY OF SEPTEMBER, 2024 AT 11:00 A.M. (IST) THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt
   i. the Audited Standalone Financial Statements of the Company for the financial year ended 31 March 2024 together with the Reports of the Board of Directors and the Auditors thereon; and
   ii. the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2024 together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Manoj Kumar Lohariwala, Whole-Time Director (DIN: 00144656), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider ratification of remuneration of Cost Auditors for the FY 2025 and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors at their respective meetings held on 29 May 2024 , the remuneration payable to M/s. Gurvinder Chopra & Co., Cost Accountants (Firm Registration No. 100260), who were appointed by the Board of Directors of the Company to conduct the audit of the Cost records of the Company for the FY 2025 amounting to ₹ 80,000/- (Rupees Eighty Thousand Only) plus applicable GST and reimbursement of travelling and out of pocket expenses be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary or expedient in connection therewith and incidental thereto."

By Order of the Board of Directors
For Innova Captab Limited

Neeharika Shukla
Company Secretary & Compliance Officer
Membership No: A42724

Place: Panchkula
Date: 09 August 2024

Reg office address:
601, Proxima, Plot No 19, Sector 30 A, Vashi Navi Mumbai, Thane, Maharashtra, India, 400705
CIN: L24246MH2005PLC150371

NOTES:

1. Pursuant to the Ministry of Corporate Affairs ("MCA") vide Circular No. 14/2020 dated 08 April 2020, Circular No.17/2020 dated 13 April 2020, Circular No. 20/2020 dated 05 May 2020, Circular No. 02/2021 dated 13 January 2021, Circular No. 02/2022 dated 05 May 2022 and Circular No. 10/2022 dated 28 December 2022 and the latest being Circular No. 09/2023 dated 25 September 2023 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021, Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated 05 January 2023 and the latest being ssCircular No.SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 07 October 2023 (collectively referred as "SEBI Circulars"), have permitted the holding of the Annual General Meeting ("AGM") of a company through Video Conferencing ("VC") /Other Audio Visual means ("OAVM"), without the physical presence of the Members at a common venue.

   Thus, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI Circulars read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 20th Annual General Meeting ("AGM") of the Company is being conducted through VC / OAVM which does not require physical presence of the Members at a common venue. The Corporate Office of the Company shall be deemed to be the venue for the 20th AGM of the Company. The Company has engaged the services of National Securities Depository Limited ("NSDL") for providing the facility for remote e-voting, for participation in the AGM through VC / OAVM and for e-voting during the AGM. The procedure for participating in the AGM through VC / OAVM is explained below.
2. In terms of the MCA Circulars, since the requirement of physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM. Hence, the Proxy form and the attendance slip are not annexed to this notice.
3. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Institutional/ Corporate Shareholders i.e., other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email at scrutinizer@mgconsulting.in with a copy marked to evoting@nsdl.com.
4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the Quorum under Section 103 of the Act.
6. A Statement giving details pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is attached as Annexure A to the Notice.
7. The following documents / registers will be available for online inspection by the Members of the Company during the AGM:
   a. The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or arrangement in which Directors are interested.
   b. All the documents referred to in this AGM Notice; and

   members who wish to inspect any of the abovementioned documents may view them upon login on the website of NSDL a www.evoting.nsdl.com.
8. Members seeking any information with regard to the accounts or any matter to be placed at the AGM or who wish to inspect relevant documents referred to in this Notice, are requested to write to the Company on or before Saturday, 14 September 2024, 06:00 P.M. (IST) through email on investors@innovacaptab.com. The same will be replied by the Company suitably.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., directly to the Company's Registrar & Transfer Agents. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, **KFin Technologies Limited**.
10. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members is respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form

No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or SH-14 as the case may be. Members may give request for registering PAN, KYC details or changes or updation thereof through Form No. ISR-1. The said forms can be downloaded from the Company's website https://www.innovacaptab.com/investor-relations.php#dis-46-id. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Innova Captab Limited at investors@innovacaptab.com in case the shares are held in physical form.

11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
12. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent, KFin Technologies Limited.
13. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote provided the votes are not already cast by remote e-voting by the first holder.
14. In compliance with the MCA and the SEBI Circulars the Notice of the AGM along with the Annual Report for the FY 2024 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any member request for the physical copy of the same, in which case the Notice of the AGM along with the Annual Report for the FY 2024 will be physically dispatched upon advance payment of the estimated actual expenses of delivery of the documents at least 10 days in advance of dispatch of such documents by the Company. Members may note that the Notice of the AGM and the Annual Report for the FY 2024 will also be available on the Company's website https://www.innovacaptab.com/ website of the Stock Exchanges at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com
15. The Board of Directors have appointed M/s. Manish Ghia & Associates, Company Secretaries, to act as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
16. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting through e-voting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

    The results declared along with the report of the scrutinizer shall be placed on the website of the Company https://www.innovacaptab.com/ shareholder-services and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of result by the Chairperson or a person authorized by them in writing. The Company shall simultaneously forward the results to NSE and BSE where the shares of the Company are listed.
17. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
18. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
19. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

    THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

    The remote e-voting period begins on Sunday, 15 September 2024 at 09:00 A.M. (IST) and ends on Tuesday, 17 September 2024 at 05:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 11 September 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 11 September 2024.

Notice (Contd.)

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 09 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

Type of shareholders	Login Method
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. NSDL Mobile App is available on App Store Google Play
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/ Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(i.e.,) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@mgconsulting.in with a copy marked to evoting@nsdl.com Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 and 022 – 2499 7000 or send a request to **Ms. Pallavi Mhatre, Senior Manager**, NSDL at evoting@nsdl.com .

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to investors@innovacaptab.com .
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to investors@innovacaptab.com . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
4. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated 09 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@innovacaptab.com by Saturday, 14 September 2024, 06:00 P.M. (IST) The same will be replied by the Company suitably.
6. Members who would like to express their views/ ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at investors@innovacaptab.com on or before 14 September 2024, 06:00 P.M. (IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
7. Only shareholders who have registered themselves as a speaker will be allowed their views/ask questions during the meetings. However, the Company reserves the right to restrict the number of speakers depending on the availability of time.

ANNEXURE - A TO THE NOTICE DATED 16 AUGUST 2024

In pursuance of the provisions of Regulation 36 (3) of the SEBI Listing Regulations and SS-2 (Secretarial Standard on General Meetings) issued by the ICSI, details of Director seeking re-appointment at the ensuing Annual General Meeting (AGM) is as below:

Information on Director seeking re-appointment pursuant to Secretarial Standard-2 (SS-2) on General Meeting:

Name of Director	Mr. Manoj Kumar Lohariwala
DIN	00144656
Date of Birth	21 May 1972
Age (in years)	52
Nationality	Indian
Date of first appointment on Board	03 June 2009
Qualification	He holds a bachelor's degree in commerce from Mohta College, Sadulpur, Maharshi Dayanand Saraswati University, Ajmer, Rajasthan.
Experience/ Expertise in specific functional areas	Manoj Kumar Lohariwala is the Whole-Time Director on the Board of our Company. He has approximately 27 years of experience in the field of manufacturing and marketing pharmaceutical products. Before being associated with our Company, he served as the Vice-President - marketing with Pharmatech Health Care.
Terms & Conditions of appointment or re-appointment	Retire by rotation and being eligible, offers himself, for re-appointment as a Director

Remuneration during FY 2024	₹ 6.20 million
Remuneration for FY 2025	₹ 10.96 million
No. of Board Meetings attended during the FY 2024	14
List of Directorship held in various other companies	1.Univentis Medicare Limited- Non-Executive Director 2.Nugenic Pharma Private Limited- Non-Executive Director 3.Innoventis Medicare Limited- Non-Executive Director
List of Chairmanship/Membership of Committee on Board of other companies	Member of committee of CSR Committee of Univentis Medicare Limited. (wholly Owned Subsidiary)
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Brother of Vinay Kumar Lohariwala who is Managing Director of the Company.
No. of Equity shares held in the Company	16636446
Listed entities from which he has resigned as Director in past 3 years	NA

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3:

The Board of Directors on the recommendation of the Audit Committee had appointed M/s. Gurvinder Chopra & Co., Cost Accountants as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the FY 2025 at a remuneration of ₹ 80,000/- plus applicable GST and reimbursement of travelling and out of pocket expenses

M/s. Gurvinder Chopra & Co., Cost Accountants, (Firm Registration No. 100260) have confirmed that they hold a valid certificate of practice under sub section (1) of Section 6 of the Cost and Work Accountants Act, 1959 and is not disqualified under section 141 read with section 148 of the Companies Act, 2013 and rules made thereunder. They are independent Cost Accountants and maintain an arm's length relationship with the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, the Board of Directors seeks consent of the Members by passing an Ordinary Resolution set out at Item No. 3 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March 2025.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, concerned or interested financially or otherwise in the said resolution as per item no. 3 of the Notice.

By Order of the Board of Directors
For Innova Captab Limited

Neeharika Shukla
Company Secretary & Compliance Officer
Membership No: A42724

Place: Panchkula
Date: 09 August 2024

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Innova Captab Ltd

Address: 601, Proxima, Plot No 19, Sector 30 A,
Vashi, Navi Mumbai, Thane, Maharashtra 400705, India

Website: https://www.innovacaptab.com/