

Limited Review Report on unaudited consolidated financial results of Innova Captab Limited for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Innova Captab Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Innova Captab Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2023 and year to date results for the period from 01 April 2023 to 30 September 2023 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

Attention is drawn to the fact that the figures for the corresponding quarter ended 30 September 2022 and the corresponding period from 01 April 2022 to 30 September 2022, as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review since the requirement of submission of quarterly and half year ended consolidated financial results is applicable on listing of equity shares of the Company which was from quarter ended 30 September 2023 and year to date period from 01 April 2023 to 30 September 2023.

2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a. Innova Captab Limited-Parent Company
 - b. Univentis Medicare Limited-Subsidiary
 - c. Sharon Bio-Medicine Limited- Subsidiary(w.e.f. 30 June 2023)
 - d. Univentis Foundation- Subsidiary



Registered Office:

Limited Review Report (*Continued*)

Innova Captab Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of one Subsidiary included in the Statement, whose interim financial information reflect total assets (before consolidation adjustments) of Rs. 2,495.17 million as at 30 September 2023 and total revenues (before consolidation adjustments) of Rs. 492.47 million and Rs. 492.47 million, total net profit after tax (before consolidation adjustments) of Rs. 32.44 million and Rs. 32.44 million and total comprehensive income (before consolidation adjustments) of Rs. 33.31 million and Rs 33.31 million for the quarter ended 30 September 2023 and for the period from 01 April 2023 to 30 September 2023 respectively, and cash flows (net) (before consolidation adjustments) of Rs (269.50 million) for the period from 01 April 2023 to 30 September 2023 as considered in the Statement. These interim financial information has been reviewed by other auditor whose report has been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

7. The Statement includes the interim financial information of one Subsidiary which has not been reviewed, whose interim financial information reflect total assets (before consolidation adjustments) of Rs. 1.52 million as at 30 September 2023 and total revenues (before consolidation adjustments) of Rs. 3.01 million and Rs. 3.51 million, total net profit after tax (before consolidation adjustments) and total comprehensive income (before consolidation adjustments) of Rs. 0.50 million and Rs. 0.79 million for the quarter ended 30 September 2023 and for the period from 01 April 2023 to 30 September 2023 respectively, and cash flows (net) (before consolidation adjustments) of Rs. 0.81 million for the period from 01 April 2023 to 30 September 2023 as considered in the Statement. According to the information and explanations given to us by the Parent's management, this interim financial information is not material to the Group.

Our conclusion 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

Panchkula

18 January 2024

Membership No.: 507857

UDIN:24507857BKFUOW8496

INNOVA CAPTAB LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2023

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

S.No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023
		Unaudited	Audited	Unaudited (Refer Note 4)	Unaudited	Unaudited (Refer Note 4)	Audited
1	INCOME						
	a) Revenue from operations	2,829.43	2,332.43	2,422.05	5,161.86	4,434.29	9,263.80
	b) Other income	33.39	11.25	16.35	44.64	38.55	91.98
	Total Income (1)	2,862.82	2,343.68	2,438.40	5,206.50	4,472.84	9,355.78
2	EXPENSES						
	a) Cost of materials consumed	1,787.30	1,663.98	1,732.17	3,451.28	3,211.89	6,466.06
	b) Purchase of stock-in-trade	93.80	81.40	42.19	175.20	91.80	447.91
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33.45	(79.97)	79.66	(46.52)	44.56	1.65
	d) Employee benefits expense	242.46	148.87	143.00	391.33	271.97	547.97
	e) Finance cost	88.08	50.31	51.81	138.39	88.12	199.73
	f) Depreciation and amortisation expense	48.25	27.94	26.80	76.19	53.80	110.77
	g) Other expenses	267.64	205.16	114.32	472.80	287.67	663.74
	Total Expenses (2)	2,560.98	2,097.69	2,189.95	4,658.67	4,049.81	8,437.83
3	Profit before tax (1-2)	301.84	245.99	248.45	547.83	423.03	917.95
4	Tax expense						
	- Current tax	71.60	68.65	59.20	140.25	104.38	218.60
	- Deferred tax	1.19	1.41	1.51	2.60	7.43	19.81
5	Profit for the period / year (3-4)	229.05	175.93	187.74	404.98	311.22	679.54
6	Other Comprehensive Income (OCI)						
	A. (i) Items that will not be reclassified to Profit or Loss	1.27	2.83	(5.85)	4.10	1.68	(0.72)
	(ii) Income tax related to items that will not be reclassified to profit or loss	(0.10)	(0.71)	1.47	(0.81)	(0.42)	0.18
	B. (i) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	(ii) Income tax related to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total other Comprehensive (loss) / income (net of tax)	1.17	2.12	(4.38)	3.29	1.26	(0.54)
7	Total Comprehensive income for the period / year (5+6)	230.22	178.05	183.36	408.27	312.48	679.00
8	Paid-up equity share capital (face value Rs. 10 per share)	480.00	480.00	480.00	480.00	480.00	480.00
9	Other equity						2,285.06
10	Basic and diluted earnings per share in Rs. (not annualised for the Quarters and Half year)	4.77	3.67	3.91	8.44	6.48	14.16

See accompanying notes to the unaudited consolidated financial results



STATEMENT OF UNAUDITED CONSOLIDATED ASSETS & LIABILITIES

(Rupees in millions)

Particulars	Unaudited	Audited
	As at 30-Sep-2023	As at 31-Mar-2023
A. ASSETS		
1 Non-current assets		
Property, plant and equipment	2,883.84	1,501.06
Right of use assets	459.96	153.04
Capital work-in-progress	1,732.86	215.43
Goodwill	166.94	166.94
Intangible assets	9.08	7.73
Financial assets		
(i) Investments	0.00	0.00
(ii) Loans	5.76	4.78
(iii) Other financial assets	23.04	5.59
Deferred tax assets (net)	255.75	1.20
Income tax assets (net)	7.36	7.27
Other non-current assets	517.57	556.43
Total non-current assets (A)	6,062.16	2,619.47
2 Current assets		
Inventories	1,464.03	1,173.16
Financial assets		
(i) Trade receivables	3,014.06	2,652.18
(ii) Cash and cash equivalents	39.18	35.25
(iii) Bank balances other than (ii) above	565.46	153.50
(iv) Loans	4.78	10.11
(v) Other financial assets	100.06	71.94
Other current assets	485.16	328.53
Total current assets (B)	5,672.73	4,424.67
Total assets (A+B)	11,734.89	7,044.14
B. EQUITY AND LIABILITIES		
1 Equity		
Equity share capital	480.00	480.00
Other equity	3,405.27	2,285.06
Total equity (C)	3,885.27	2,765.06
2 Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	3,534.14	1,341.77
(ii) Lease liabilities	23.67	13.84
(iii) Other financial liabilities	98.30	78.94
Provisions	100.74	28.97
Deferred tax liabilities (net)	48.56	39.21
Other non-current liabilities	-	0.85
Total non-current liabilities (D)	3,805.41	1,503.58
Current liabilities		
Financial liabilities		
(i) Borrowings	1,627.92	1,010.15
(ii) Lease liabilities	11.46	3.96
(iii) Trade payables		
-total outstanding dues of micro and small enterprises	17.38	5.73
-total outstanding dues of creditors other than micro and small enterprises	1,882.95	1,579.10
- Other financial liabilities	264.19	114.63
Other current liabilities	171.80	56.10
Provisions	33.14	5.83
Current tax liabilities (net)	35.37	-
Total current liabilities (E)	4,044.21	2,775.50
Total liabilities (D+E)	7,849.62	4,279.08
Total equity and liabilities (C+D+E)	11,734.89	7,044.14

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STATEMENT OF UNAUDITED CONSOLIDATED CASH FLOWS STATEMENT

(Rupees in millions)

Particulars	30-Sep-2023	30-Sep-2022
	(Unaudited)	(Unaudited)
(Refer Note 4)		
A Cash flows from operating activities		
Profit before tax for the period	547.83	423.03
Depreciation and amortization expense	76.19	53.80
Expected credit loss on trade receivables	5.35	4.61
Bad debts written off	2.06	0.83
Net (profit) on sale of property, plant and equipment	(0.41)	(1.00)
Unrealized foreign exchange (gain)	(4.56)	(18.75)
Unrealized profit on Inventory	6.00	8.10
Amortisation of government grant	(0.21)	(0.11)
Finance costs	138.39	88.12
Transaction costs related to borrowings	(0.58)	(0.90)
Loss / (gain) on fair valuation of cumulatively compulsorily convertible preference shares	19.36	(3.00)
Provision for Obsolete Inventory	5.00	5.26
Interest income	(17.11)	(1.38)
Operating cash flows before working capital changes	777.31	558.61
Working capital adjustments		
Decrease in inventories	8.28	133.29
(Increase) in trade receivables	(74.08)	(561.29)
Increase / (decrease) in trade payables	138.42	(235.00)
(Increase) in loans	(0.65)	(2.67)
(Increase) in other financial assets	(12.43)	(31.28)
Decrease in other non-current assets	0.97	2.00
Decrease in other current assets	71.04	10.04
Increase in other current liabilities	22.18	24.64
(Decrease) / increase in other financial liabilities	(50.11)	8.87
Increase in provisions	6.65	3.79
Cash generated from / (used in) operating activities	887.58	(89.00)
Income tax paid (net)	(107.23)	(109.52)
Net cash generated from / (used in) operating activities (A)	780.35	(198.52)
B Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,512.90)	(365.40)
Proceeds from sale of property, plant and equipment	1.41	0.84
Interest income received	11.94	1.43
Payments made for acquisition of subsidiary	(1,648.14)	-
Bank deposits made	(737.95)	(483.47)
Proceeds from redemption of bank deposits	426.43	403.54
Net cash (used in) investing activities (B)	(3,459.21)	(443.06)
C Cash flows from financing activities		
Payment of lease liabilities (including interest)	(5.77)	(4.29)
Finance cost paid	(71.33)	(67.27)
Repayments of non-current borrowings	(15.38)	(90.55)
Proceeds from non-current borrowings	2,198.55	-
Proceeds from current borrowings (net)	576.72	305.12
Proceeds from issue of compulsorily convertible preference shares	-	500.00
Net cash generated from financing activities (C)	2,682.79	643.01
Net increase in cash and cash equivalents (A+B+C)	3.93	1.43
Cash and cash equivalents at the beginning of the period	35.25	1.30
Cash and cash equivalents at the end of the period	39.18	2.73
Reconciliation to the Cash Flow Statement :-		
Components of cash and cash equivalents		
Cash in hand	0.55	2.39
Balances with banks - in current accounts	38.63	0.34
	39.18	2.73

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".

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Notes :

- 1 The above unaudited consolidated financial results were reviewed and recommended by the Audit Committee on 18 January 2024 and approved by the Board of Directors in their meeting held on 18 January 2024. The unaudited consolidated financial results for the current quarter, have been subjected to limited review by the Statutory Auditors of the Company. The Statutory Auditors of the Company have expressed an unmodified review conclusion on the unaudited consolidated financials results for the quarter and half year ended 30 September 2023. The unmodified review report of the Statutory Auditors is being filed with the BSE and National Stock Exchange Limited. For more details on the unaudited consolidated financial results, visit 'Investor Relations' section of our website at www.innovacaptab.com and 'Financial Results' in 'Corporates' section of www.nseindia.com and www.bseindia.com.
- 2 The above unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations, including relevant circulars issued by the SEBI from time to time.
- 3 The Company has only one reportable segment i.e "Drugs and pharmaceutical products" as per Ind-AS 108 "Operating Segments" specified under section 133 of the Companies Act, 2013.
- 4 The figures for quarter and half year ended 30 September 2022, as reported in these unaudited consolidated financial results have been approved by the Group's Board of Directors, but have not been subjected to review by statutory auditor since the requirement of submission of quarterly consolidated financial results is applicable on listing of equity shares of the Company, which was from quarter ended 30 September 2023.
- 5 **Subsequent to the Balance Sheet date:-**

a) The Company has allotted 14,12,430 equity shares having face value of Rs. 10 each in the conversion ratio of 1:1 towards Compulsorily Convertible Preference Shares ("CCPS") on 01 December 2023 at a price of Rs. 448 per share.

b) The Company has allotted 6,69,642 Pre IPO equity shares having face value of Rs.10 each on 03 December 2023 at a price of Rs. 448 per share.

c) The Company has completed its Initial Public Offer (IPO) of 12,723,214 equity shares of face value Rs. 10 each at an issue price of Rs. 448 per share (including a share premium of Rs. 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. Accordingly, the above statement of unaudited consolidated financial results for the quarter ended 30 September 2023 are drawn up for the first time in accordance with the requirements of Regulation 33 of the Listing Regulations.

The issue comprised of a fresh issue of 7,142,857 equity shares aggregating to Rs. 3,200.00 million and offer for sale of 5,580,357 equity shares by selling shareholders aggregating to Rs. 2500.00 million. The Company will provide an update on the utilisation of IPO proceeds towards the objects of the fresh issue effective next reporting period based on actual utilisation of funds.

- 6 The Group acquired Sharon Bio-Medicine Limited as on 30 June 2023. Accordingly, the statement of unaudited consolidated financial results includes the financial results of the Sharon Bio-Medicine Limited from 1 July 2023 to 30 September 2023.

Place: Panchkula
Date: 18 January 2024

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



Vinay Kumar Lohariwala
Managing Director
DIN:00144700



Gautav Srivastava
Chief Financial Officer

